



New York Annual Conference

The United Methodist Church

Church Finances



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Agenda

- Budgets & Reporting
- Tax Exempt Status
- Employment Taxes
- Tax Reporting
- Investments
- Audits
- Checks & Balances
- Pastoral Compensation
- Clergy Health Benefits
- Clergy Pension Benefits
- CPP (Death & Disability)
- Reimbursement Accounts
- Discretionary Accounts
- Apportionments
- Job Descriptions
 - Financial Secretary
 - Treasurer
 - Finance Committee
- Record Retention
- Resources
- Key Contacts
- GCFA Apportioned Fund Descriptions



My Background

- Lifelong Methodist
- Have attended three UMC's of the NYAC with the current one being in Darien, CT
- Currently the Finance Chair for Darien UMC. Previously served in Stewardship and Treasurer roles
- Worked in the corporate world for 25 years
- CPA / MBA
- Joined the NYAC in August 2010



Budgets & Reporting

- Essential component of a well-run church
 - Allows determination that expenses do not exceed anticipated income
 - Provides an excellent yardstick to measure progress in meeting goals
 - Presents a snapshot of financial matters to congregation
- Prepared annually:
 - By Finance Committee member with expertise
 - Based upon Input from Administrative Council and Committees
 - Allowing periodic comparisons with actual data
 - Using QuickBooks or other appropriate software
 - Compared to prior year budget and estimate of current year actual
 - Published in advance and approved at either Charge Conference or at a subsequent Administrative Council meeting
- Should contain all income and expenses including apportionments
- Periodic financial reporting can strengthen Stewardship efforts; some consider lack of reporting to be drag on efforts to promote additional giving



Budgets & Reporting (continued)

Include detail of significant components:

- Tithes & Offering
- Other contribution income
- Fees from outside users of church space
- Investment return from money market accounts, bonds and stocks
- Miscellaneous income
- Salaries and health and pension benefits
 - Pastor and associates
 - Program staff - music, education, etc.
 - Administrative staff
 - Sexton and custodial staff
- Pastor and Associates accountable reimbursements
- Parsonage costs
- World service and administrative apportionments
- Program expenses
- Administrative expenses
- Building expenses
- Payments on loans
 - Principal
 - Interest
- Anticipated capital additions
- Miscellaneous expense



Sample Budget Calendar

- February to September:
 - Furnish Administrative Council and Committees with a Budget to Actual Report with explanations of variances
 - Project amounts to year-end
 - Determine actions needed to bring actual amounts in line with Budget
- October:
 - Request Committee Chairs to provide input for next year's Budget
 - Obtain from NYAC estimates for next year's HealthFlex, Pension, Insurance
- November:
 - Obtain from NYAC website next year's Apportionment data
 - Compile and distribute draft budget to Administrative Council
- December / January:
 - Revise as may be necessary and obtain Administrative Council Approval
 - Communicate budget to congregation

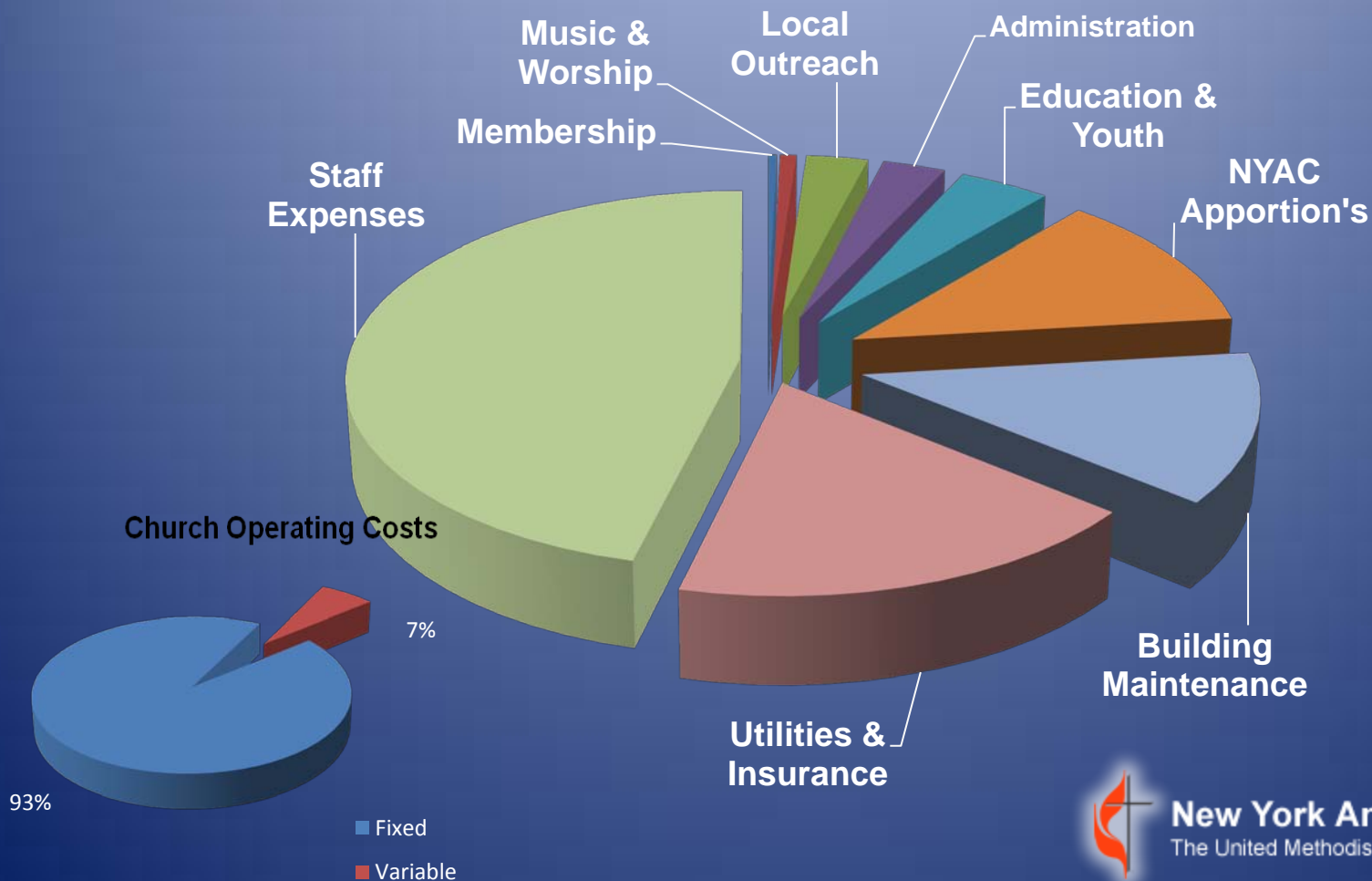


Budget Details

United Methodist Church							
2011 Budget Worksheet							
	2011	2010	2010	Increase / Decrease		Pre-	
	Budget	Budget	Actual	2010 Budget	2010 Actual	School	Budget Notes
Income							
I-1 · Pledges			\$ -				Stewardship
I-2 · Non Pledge Regulars			-				Fin. Sect
I-3 · Loose Plate			-				
I-4 · Christmas/Easter Offering			-				
I-5 · Facility Rent			-				
I-6a · Preschool Facilities Donation			-			Yes	
I-6b · Preschool Insurance			-			Yes	
I-7 · Fund Raising Projects/Tag Sale			-				M&O
I-8 · Designated Contributions			-				
I-9 · Misc, Other Income			-				
I-10 · Interest Income			-				
I-11 · Cell Tower Income			-				Trustees
Sub-total	\$ -	\$ -	\$ -				
A · Administration							
A-1 · Administrative Salary			\$ -			Yes	SPRC
A-2 · Office Supplies			-			Yes	
A-3 · Office Equipment			-			Yes	
A-4 · Postage			-				
A-5 · Communications			-				
A-5a · Telephone - Church			-				
A-5b · Telephone - Parsonage			-				
A-5c · Cable/Internet - Parsonage			-				
A-5d · Other			-				
A-7a · Church's Share of FICA			-				
A-8 · Administration - Misc.			-				
A-9 · Payment Desig. Contribution			-				
A-11a · Workmans Comp			-			Yes	NYAC
A-11b · Insurance Property & Liability			-			Yes	NYAC
A-11d · Umbrella Policy			-			Yes	NYAC
Sub-total	\$ -	\$ -	\$ -				

Budget Graphs

Church Operating Costs



Budget vs. Actual

United Methodist Church						
2010 Financial Results						
Year-to-Date Through September 15th						
	A	C	D	E	F	
	YTD	Deposits / Bills	Adjusted		Variance	
	Actual	Outstanding	YTD Actual	Budget	(Fav / Unfav)	Comments
Income						
I-1 · Pledges						
I-2 · Non Pledge Regulars						
I-3 · Loose Plate / Visitor Donations						Includes a \$1,500 donation in June
I-4 · Christmas/Easter Offering						
I-5 · Facility Rent						
I-6a · Preschool Facilities Donation						
I-6b · Preschool Insurance						
I-7 · Fund Raising Projects/Tag Sale						Cancellation of fund-raising dinner
I-8 · Designated Contributions						
I-9 · Misc, Other Income						
I-10 · Interest Income						
I-11 · Cell Tower Income						
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	
A · Administration						
A-1 · Administrative Salary						
A-2 · Office Supplies						
A-3 · Office Equipment						
A-4 · Postage						
A-5 · Communications						
A-5a · Telephone - Church						
A-5b · Telephone - Parsonage						
A-5c · Cable/Internet - Parsonage						
A-11a · Workmans Comp						
A-11b · Insurance Property & Liability						
A-11d · Umbrella Policy						
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	

Tax Exempt Status

- United Methodist Church is a Tax Exempt Religious Organization under Section 501(c)(3) of the tax code
 - GCFA applied for and received in 1974 a Group Tax Exemption Ruling
 - Exempt from Federal Income Tax
 - Exempt under most circumstances from filing Form 990 (Return for Organizations Exempt from Income Tax)
 - Donors may deduct contributions on their tax returns

See Handout “Department of Treasury Group Tax Exemption Ruling”
- New York Annual Conference is included in IRS group ruling
- Each church of the NYAC is covered under this group ruling a group 501(c)3 ruling with the IRS
- Donors may rely on a) listing in IRS publication 78 (online at www.irs.gov) along with GCFA verification that subordinate organization is covered .
- Churches may request a specific inclusion letter.
- Questions: GCFA Legal Department at (866) 367-4232 or legal@gcfa.org.



Employment Taxes

- Know the difference between an “employee” and an “independent contractor” – IRS 20 Questions
See handout “Employee or Independent Contractor”
- Use Federal and State web-sites for Guidance:
 - Internal Revenue Service: <http://www.irs.gov>
 - CT Department of Revenue Services <http://www.ct.gov/drs>
- In general, you must withhold and remit Federal, State, Local and Social Security taxes for:
 - Organist
 - Sexton
 - Secretary & other lay employees
 - Child-care providers (e.g. nursery care during church services)
- Tax Relief Act of 2010
 - A two percent reduction in the employee portion of Social Security tax from the current 6.2 percent to 4.2 percent. (extended thru 2/12 with high likelihood of further extension)
- The use of an outside vendor (ADP, Paychex, etc) or software program that is updated regularly is critical. This ensures that current withholding rates are applied to compensation and that quarterly payroll records are accurate.



Tax Reporting Requirements

1) PAYROLL TAXES FOR CHURCHES

A. Withhold taxes on staff employees, file forms and comply with deposit requirements

1. Federal Social Security (NO CLERGY WITHHOLDING)
2. Federal Income Tax (NO REQUIRED CLERGY WITHHOLDING)

At the request of the clergy, the employer may withhold income tax for that clergy, pursuant to a Form W-4 and state equivalent of federal Form W-4. (Keep W-4 forms on file).

3. State income tax withholding (requirements vary from state to state)

There is no mandatory federal income tax withholding for clergy; income tax withholding can be done at clergy request, but Social Security is never to be withheld for clergy.

B. Quarterly Filing Requirements (April 30, July 31, October 31 and January 31 for the first, second, third and fourth quarters)

1. Form 941 - Federal
2. State equivalent form (may vary from state to state)

See handout “Form 941 Filing Requirements” - clergy compensation is shown on 941 but no information on Social Security and Medicare wages and Withholding.



Tax Reporting Requirements

C. Annual Filing Requirements

1. January 31: Form W-2 must be given to employees.
2. February 28: Form W-3 must be filed with the Social Security Administration.
W-2 and W-3 filings can be made electronically in some cases. For more details go to the Social Security website at www.ssa.gov
3. State filing requirements vary from state to state.

2. FILING REQUIREMENTS FOR PAYMENTS TO SELF-EMPLOYED INDIVIDUALS

(Such as independent contractors supplying repair or other services to the church)

- A. January 31: Form 1099-MISC must be given to individuals (who receive compensation of \$600 or more).
- B. February 28: Form 1099-MISC must be filed with the IRS
- C. February 28: File Form 1096 with the IRS together with the 1099-MISC forms.

See handout: “Example of Form W-2 for Clergy”



Investments

- How hard are church funds working?
- An often overlooked / undermanaged source of additional income
- United Methodist Development Fund:
 - A United Methodist based organization offering fund management and mortgage loans
 - Check them out at: http://gbqm-umc.org/who_we_are/ecg/umdf/
 - The UMDF accepts investments from United Methodists, sends them an interest check twice a year, then lends that money to United Methodist churches for new construction and/or renovation.
 - The UMDF invests in highly rated fixed income securities only. Its return is wholly predictable, and they charge no management fee. Rates currently range from 1.00% for flexible investment notes to 2.50% for four year notes.
- Frontier Foundation:
 - A United Methodist based organization offering fund management
 - Invests through SEC-registered investment advisers
 - High quality equities or fixed-income securities
 - Comply with social principles of the United Methodist Church
 - Also offers
 - Stewardship Education programs
 - Planned Giving Seminars
 - Endowment Development
 - Capital Campaign consultation
 - Clergy Financial Seminars

Keith Muhleman, President
UM Frontier Foundation
20 Soundview Ave
White Plains NY 10606
914-615-2247



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Audits

- An annual Audit is Required by the Book of Discipline:
 - Section 258.4 c) makes it *mandatory* that every local church finance committee "shall make provision 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."
- GCFA publishes the "Local Church Audit Guide". Find it online at: http://www.gcfa.org/PDFs/Local_Church_Audit_Guide.pdf
- You do not need engage a CPA to perform the audit
- An audit is meant to be a process that provides reasonable assurance that good stewardship is being used in handling and accounting for the funds and other assets of the local church.
 - Needs to be "independent"
 - All accounts of all church organizations must be included or separately audited
- Audit reports should be provided to your District Superintendent at time of Charge Conference.



Audits (continued)

Why do an Audit?*

- Because the Discipline requires it!
- To protect the people the church elects to offices or financial responsibility from unwarranted charges of careless or improper handling of funds
- To build the trust and confidence with the financial supporters of the church in the way their money is being accounted for.
- To set habits of fiscal responsibility to assure that when there is turnover in personnel there will be continuity in accountability
- To ensure that gifts made to the church with special conditions attached are consistently administered in accordance with the donor's instructions
- To provide checks and balances for sums received and disbursed

Conducting an audit is not a symbol of distrust

- It is a mark of responsibility
- It is good stewardship demonstrated for all to see
- It is a message to church donors that you care about their gifts

* From the Local Church Audit Guide



Check & Balances

GCFA has a section on web-site entitled “Tips for Preventing and Catching Misuse of Church Funds for Pastors/Audit Committees From a Church That Has Been There”

See handout or download it at: <http://www.gcfa.org/misuseofChurchFunds.html>

- The financial secretary and treasurer must be two separate unrelated people.
- The Finance committee should designate two persons (not related and not the Treasurer) to count the offering, giving a record of funds to both the financial secretary and Treasurer (*Book of Discipline* ¶ 262.4 a).
- If your Treasurer is not an accountant or bookkeeper, provide training and consultation.
- Know the requirements of *The Book of Discipline* for areas such as: annual audits, bonding and periodic reporting from the Treasurer.
- Make sure that there is adequate bonding on church officials who handle money. (See *Book of Discipline* ¶ 258.4b)
- Deposit funds promptly. Funds should not wait to be deposited until the usual depositor returns from an absence.
- Bank statements should be reviewed/reconciled by someone other than the Treasurer (or his/her assistant).



Check & Balances (continued)

- Download and review the Local Church Audit Guide
http://www.gcfa.org/PDFs/Local_Church_Audit_Guide.pdf
- Minimize the use of petty cash. Establish procedures for the permissible uses of petty cash & maximum amount that may be used at one time.
- Vendor invoices should be approved by the proper party before payment and marked paid after payment, with a notation for the date of payment and check number.
- Complete the Fund Balance Report annually OR whenever there is a change in the Financial Secretary or Treasurer.
- Complete audits of all church accounts annually (required by the Discipline)
 - Trustees
 - Endowment
 - Operating account
 - Pre-school
 - Stock accounts



Pastoral Compensation

- Every pastor under Episcopal appointment receives a salary, reimbursement account and pension benefits.
- Clergy must be $\frac{3}{4}$ time to qualify for health coverage (HealthFlex).
- A “DS Hire” is not eligible for NYAC healthcare and pension benefits.
- “Retired” pastors that continue to serve do not accrue further pension benefits. Pension and Healthcare costs are not billed to the church. A portion of the Healthcare cost is billed to and borne by the retiree.
- Staff Parish Relations Committee makes recommendation to church conference regarding Pastoral Compensation.
- SPRC should consider:
 - Local cost of living
 - Other forms of compensation (e.g. housing)
 - Other compensation-related obligations
 - Other church related obligations



Clergy Health Benefits

- “HealthFlex” plan Provided by the GBOPHB
- Each church is charged a uniform rate regardless of number of dependants
- Uniform rate for 2012:
 - Church 90% or \$13,003 / year
 - Pastor 10% or \$1,445 / year
(Can be paid pre-tax via a section 125 resolution)
 - Total: \$14,448 / year
 - Clergy in NYAC have one of the lowest co-payments of all annual conferences
- Clergy may “buy-up” to a PPO
 - Individual – extra \$2,256 / year
 - Family – extra \$5,160 / year
- Clergy May elect a Medical Reimbursement Account
- Policies are set annually by the Conference’s Board of Pension and Health Benefits



Clergy Pension Benefits

- Current Pension program known as Clergy Retirement Security Program (“CRSP”)
- CRSP has both a Defined Benefit and Defined Contribution component
- Must be under Episcopal appointment to be eligible
- Contributions based upon “Plan Compensation”, which is defined as salary plus either a) 25% of salary if parsonage provided or b) actual housing allowance (if any) provided.
- For 2012:
 - 11.4% for DB
 - 3.0% for DC
 - 14.4%
- Pension programs:
 - Prior to 1982 = “Pre-82 plan” (Greater of DB or PSR)
 - 1982-2006 = “Ministerial Pension Plan” (DC)
 - 2007-2013 = “CRSP” (DB & DC)
 - 2014-???? = “Restated CRSP” (DB & DC)



Comprehensive Protection Plan (CPP)

- **Eligibility:**
 - Full-time Episcopal appointment
 - Must earn 60% of Conference Average Compensation (\$36,231 for 2012)
- **Benefits:**
 - Disability: 70% of plan compensation offset by Social Security benefits
 - Death Benefits (Active):
 - Participant: \$50,000
 - Death Benefits (Retired):
 - Participant: \$18,515 (30% of DAC)
 - Other Death Benefits:
 - Spouse: \$12,343 (20% of DAC)
 - Surviving Spouse: \$9,257 (15% of DAC)
 - Child under 18: \$6,171 (10% of DAC)
- **Cost:**
 - 3.0% of plan compensation
 - 4.4% of DAC for “Special Arrangement” – for those that want to be in the program but are appointed at either 75% or 50% time (Must be enrolled within 90 days of going to less than full-time)



Pastor Reimbursement Account

- Required under the Discipline and NYAC Guidelines
- Provided to cover various activities and costs related to performing ministry
- Each church determines amount but minimum is \$5,500.
- Church should have a reimbursement account policy with clear guidelines
- Disbursements can only be for ministry-related expenses. Account should not be divided into equal installments and paid to pastor.
- Disbursement requests must be accompanied by receipts
- Funds remaining at end of year should not be disbursed.



Pastor Discretionary Account

- Optional - Not required by Discipline or NYAC guidelines
- Funded via church budget or special donations
- Spending is not required to be disclosed
- Spending should be documented carefully by Pastor with records maintained in the event of an income tax audit
- Funds remaining at end of year can be “rolled-over” into next year.
- See handout “A Matter of Good Stewardship: Tips for Handling of a Pastor’s Discretionary Fund”



NYAC Apportionments - Statistical Tables

- Three tables:
 - Table 1 – Membership data
 - Table 2 – Financial data
 - Table 3 – Stewardship data
- Used by the both the NYAC & General Church for general information, decision making and to set apportionments
- Certain Table 2 line items form the basis for apportionments
 - Salary paid to Pastor
 - Salary paid to Assoc. Pastor
 - Accountable Reimbursements
 - Salary & Benefits for church staff
 - Program expenses
 - Office expenses
- Data collected via and on-line system
- Available in late February for approx. 6 weeks



NYAC Apportionment Basics

- Shared Ministry Apportionments:
 - built on a desire & commitment to meet the needs of God's family.
 - Smaller gifts combined into larger amounts to effect transformative change in the lives of people & the world.
- Apportionments reflect priorities established in NYAC budget.
- Each year the Council on Finance & Administration (CF&A) - made up of clergy & laity – hears budget requests. CF&A then prepares an overall budget .
- Budget is presented at annual conference in June where it is approved – sometimes after modifications.
- Treasurer's office apportions the budget to the churches in the conference.
- Apportionments are based upon certain expenses of the local church reported on a two year lag – not membership rolls.
- 2012 budget allocated based upon church expenses for 2010, reported in 2011.
- The 2012 conference budget is \$8,968,709. Of this amount \$8,627,709 is apportioned.



NYAC Apportionment Calculation

Annual Budget of the NYAC

Sum of apportionment base of all churches

= Apportionment Rate: $xx.x\%$



Apportionment Base (Table II):

- Amount paid to Pastor
- Amount paid to Assoc. Pastor
- Accountable Reimbursements
- Salary & Benefits for church staff
- Program expenses
- Office expenses

Example:

NYAC Apportioned Budget = \$8,500,000

NYAC Apportionment Base = \$34,000,000

Apportionment Rate = 25.0%

Church Apportionment Base = \$125,000

Church Apportionment = \$31,250



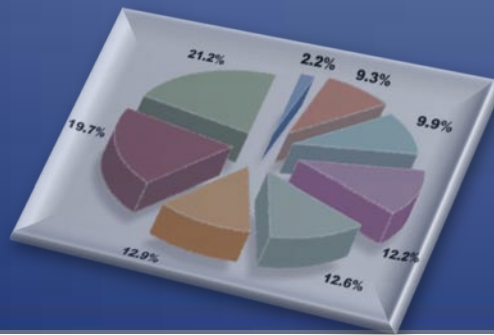
NYAC Apportionment Adjustments

- Some churches are surprised by their apportionments after amounts are communicated.
- Effort undertaken to scrub submissions for obvious errors and large variations.
- NYAC has no significant reserve for “mistakes”.
- Once numbers are communicated it is impossible to make adjustments since they would impact all other churches in the conference (approx. 475).
- Review of data prior to submission is therefore critical.



Where does the money given to the NYAC go?

- 21.2% or \$1,921,061 - **Conference Administration**: funds the costs of the conference center in White Plains, the Treasurer's office staff, Trustees' expenses, the costs of the June annual meeting, journals & directories, the conference Board of Ordained Ministry and an archivist.
- 19.7% \$1,784,109 - **Retired Clergy Health Benefits** such as Healthflex.
- 12.9% or \$1,164,546 - **World Service Fund**: The fund empowers UM evangelism, stimulates Bible study, encourages church growth and discipleship, and helps God's children everywhere.
- 12.6% or \$1,140,186 - covers the costs of ministry of six **District Superintendents** and their offices.



Where does the money given to the NYAC go?

- 12.2% or \$1,103,777- **Conference Programs:** Cost of Connectional Ministries Director, Mission & Outreach Coordinator, website (www.nyac.com), print resources, Learning Center, training programs for local churches, district programs (campus, youth, ecumenical, and justice ministries) grants for local programs, & new church development.
- 9.9% or \$900,134 - Other **Shared Ministries:** ministries that all UM churches support across the country – such as the Black College and Africa University funds. Also includes our conference's missional priority to support a number of ethnic ministries.
- 9.3% or \$846,425 - Other **Clergy Support:** NYAC share of salaries and expenses of the UM Bishops, funding for churches that temporarily cannot pay their pastors, and pensions for disabled pastors.
- 2.2% or \$200,000 – **Conference Reserve:** used for unforeseen expenses, emergencies and cash flow.



General Conference Apportioned Funds



There are seven Apportioned Funds approved by General Conference:

	<u>2012 Budget</u>	
• World Service Fund	\$1,116,962	
• Ministerial Education Fund	370,587	
• Episcopal Fund	340,231	
• Black College Fund	147,810	
• General Administration Fund	127,569	
• Africa University Fund	33,081	
• Interdenominational Cooperation Fund	29,334	
	<hr/>	
Total	\$2,165,574	(25% of NYAC apportioned budget)



NYAC Apportionment Data

Available at: <http://www.nyac.com/pages/detail/1584>

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The United Methodist Church

search our site

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Business & Finance

Apportionments

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- Apportionment by District – Connecticut
- Apportionment by District – Long Island East
- Apportionment by District – Long Island West
- Apportionment by District – Metropolitan
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- Apportionment by District –

Home Business & Finance Apportionments

Apportionments

Apportionments by District:

- Catskill-Hudson
- Connecticut
- Long Island East
- Long Island West
- Metropolitan
- New York – Connecticut

[Click here to view apportionments for Conference \(all districts\)>>](#)

CHURCH NAME CLASS	Word Service & Conference Apportionment	Chrg Budget	Admin	Missional Education	Worsh	Missional Culture	Priority	Africa	Total 2011 Apport	2010 Apport
Catskill Hudson District										
13019 BULLVILLE	606	970	683	112	45	37	10		2,469	2,469
13010 CALICOON	777	1,149	790	119	59	44	12		2,918	2,915
13016 HANING	685	1,012	660	117	47	30	10		2,569	2,449
13014 NORTH BRANCH	199	294	192	34	14	11	9		747	818
13017 TILLWILLE	1,140	1,686	1,059	184	78	60	17		4,282	4,308
13005 GRAMMATEVILLE	3,582	4,483	2,924	517	206	172	46		11,980	10,126
13007 SUNDOWN	489	648	452	78	31	25	7		1,683	1,519
13007 HARTFORDVILLE	899	1,285	898	148	59	40	19		3,292	3,108
13008 WOODBORO	679	1,002	668	100	60	50	18		3,299	3,144
13003 KENCOA LAKE	543	808	529	99	37	31	8		2,086	1,453
13005 FORTYFIVE	520	748	501	89	35	29	8		1,950	1,512
13006 WYFFERSVILLE	790	1,159	752	118	59	44	12		2,916	1,802
13009 KERKONSON FED	1,466	2,167	1,413	250	100	83	22		5,501	4,081
13009 LIBERTY	2,047	3,027	1,974	349	139	116	31		7,483	6,390
13012 MIDDLETOWN ST PAULS	7,515	11,111	7,246	1,281	511	426	114		26,294	24,208
13000 MILTON/MARLBORO	1,812	4,896	3,189	505	225	188	50		12,428	10,470
13009 MADENA	4,121	6,052	3,979	709	280	233	63		15,466	14,709
13000 MONTECALVO	3,446	5,094	3,322	587	234	195	51		12,831	13,088
13011 NAPANOOK	1,811	2,478	1,746	300	129	109	28		6,797	6,484
13013 ULSTER HEIGHTS	2,948	3,472	2,264	400	160	139	36		8,813	8,400
13006 MOUNTAIN VIEW	7,042	10,412	6,790	1,201	479	399	107		26,430	20,040
13786 ROCK HILL	2,490	3,977	2,564	469	189	152	41		10,096	10,079
13789 MANNAKATING	924	479	312	55	22	18	5		1,716	1,725
13791 ROSCOE UNITED	405	949	632	112	45	37	10		2,459	1,999
13792 WHEATFIELD	294	435	284	50	29	17	4		1,105	1,119
13793 LEW BEACH	0	0	0	0	0	0	0		0	1
13794 LIVINGSTON MANOR	285	421	275	49	19	16	4		1,068	1,018
13795 PARKVILLE	241	356	232	41	16	14	4		805	496
13018 WALDEN	4,684	6,926	4,517	799	319	265	71		17,590	17,484
13029 MARYBROOK	792	1,112	725	128	51	43	11		2,822	2,724
13044 WESTERHOCKVILLE	549	814	529	94	37	31	8		1,978	1,800
13054 KAUNONGA LAKE UMC	397	440	287	51	20	17	5		1,116	2,490
13065 MONSIEUR VALLEY	724	1,070	698	129	49	41	11		3,716	2,490
13070 WHITE SULPHUR SPRINGS	874	1,545	929	162	254	213	57		3,427	3,790
13072 NARROWBOURG	774	1,144	746	132	59	44	12		3,900	2,524
14106 ANDRES	1,186	1,726	1,126	199	79	66	18		4,382	4,752
14115 RESERVOIR	4,813	6,376	4,128	735	299	244	66		16,186	14,026
14119 ATHENS REDEEMED	605	900	587	104	41	34	9		2,285	2,516
14120 HIGH HILL	708	1,039	678	120	48	40	11		2,617	2,773

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Apportionment Inserts

- Available at: <http://www.nyac.com/pages/detail/1666>
- Download in pdf format
- Use in newsletters and worship bulletins
- Use to explain where apportionment money goes

Together We Make A Difference Through Shared Ministry Apportionments!

For more 100 years the General Board of Health Benefits of The United Methodist Church has been responsible for the ad of the retirement, health and welfare benefits programs and funds for more than 14.8 million retired clergy and his dependent of

One such program is Healthflex, the health insurance program for both active and retired clergy.

Thanks to your committed support, the New York Annual Conference participates in this program with 30 other annual conferences provide health-related health care access, protection, and support to our NYAC deacon, effective, competitive cost.

Thank to Wesleyan values, it is our goal to the quality of health and health care for conference clergy. This integrated health program offers leading-edge wellness benefits, education, resources and strategies to help clergy become as healthy as possible.



Together We Make A Difference Through S Ministry Apportionment

Thanks to your support of the as taken on UMC Student Day and We Sunday, students in the New York Conference can receive scholarship college and graduate school.

Each year at our annual June gift University, the recipients are announced for their achievements.



World Communion Sunday is one Sunday that The United Methodist provides annually as opportunities our regular gifts to our local church

Thanks to your commitment, a funds is then returned to benefit educating our own UMC students who are completing careers in ministry.

Together We Make A Difference Through S Ministry Apportionment

The New York Annual Conference the Office of Connectional Ministries undertake great youth ministry act "UNITE '11," an open invitation to a weekend event at the Yonkers in January 27-29, with great speakers, workshops, music, and fellowship!

We financially support "Take the Li school leadership program held at Churches are invited to send their training in local church ministers.



Thanks to your commitment, Co Ministries is also able to support its ambassadors in an annual mission February they will be returning to C photo shown is from the 2012 trip. also supports the Bishop's Center the work of the Conference Committee on Youth Ministry. Check it out at: www.nyamdc.com

Together We Make A Difference Through S Ministry Apportionment

Thanks to your support, clergy a each of our 475 churches gather to business and share in the summit the New York Episcopal area our conference held each June at East Long Island.

This year's four-day meeting was off by the arrival of more than 5,00 on Saturday. The day began with displays, games and food in the parking lot, and then progressed inside for an incredible parade of banners and the dynamic preaching of Bishop James Swanson, D.D.

What an incredible time to be a United Methodist here in the NYAC!

Thanks to your support, the clergy and lay come together to a warm and celebrate as the Body of annual meeting provides for lasting connections in ministry well beyond our local churches. The 2011 gathering will be June 8-11.

Together We Make A Difference Through S Ministry Apportionment

A few years ago, the ministry did it but thanks to your committed as prepared for the unexpected!

Disaster response has been a real New York Annual Conference since the 2001, when we funded activities an emergency. Since then, we have worked more than 85 early response addition, we have trained some 40 volunteers to respond to disaster

By partnering with the United Methodist Committee on Relief (UMCOR), we have been an important continuing presence through reconstruction in Haiti. In hope, we have responded to flood N.Y., and when the Seaman (Cox damaged by fire.

The operational expenses of the C Mission/Outreach office are support Shared Ministry Apportionments. It energy and dedication of our Missions Associate Director, Rev. Joseph Swartz, the ministry of disaster relief continues to train, plan and respond!



Together We Make A Difference Through S Ministry Apportionment

Thanks to your support, young at leaders get help in paying for their through the Memorial Education F Black College Fund and the Africa MEF supports the 13 United Method as well as for local senior courses continuing education, and other pr strengthen the ministry of every lo

The Black College Fund benefits 9 members for the 2011-2012 conference, are nurtured in environments based on the Christian perspective of community service and social responsibility.

By supporting Africa University, you help educate students and nurture their hopes to become world leaders. Your financial gift is a gift nearly 1,200 African students from

Thanks to your support of shared ministry apportionments, students and clergy are trained for a life of Christian leadership through the work of these free educational funds.



Together We Make A Difference Through Shared Ministry Apportionments!

Thanks to your support, the New York Annual Conference has committed to creating 20 new communities of faith in the next three years. The work of his new churches has already begun, including urban and rural settings, and foreign-language congregations. Twelve existing congregations will also be chosen as part of a revitalization initiative.

This mission is part of the denomination's focus on four key areas for ministry:

- Combating the diseases of poverty by improving health globally.
- Engaging in ministry with the poor.
- Creating new places for new people and revitalizing existing congregations.
- Developing principled Christian leaders for the church and the world.

These ministries are raising the bar for the future ministries of the church, both locally and globally. Thanks to your support, the church can be a body of transformed individuals committed to challenging and changing the original practices of the society in which they live.



These vision leaders will start six new churches.

Treasurer Remittance Forms

- Available on Conference website:
 - www.nyac.com
 - Under “Business/Finance”, “Apportionments”
- Provided in both Word or PDF format
- Statements mailed to churches monthly

**New York Annual Conference of the United Methodist Church
2011 Treasurer's Remittance Report**

Church # _____ Date: _____
 Church Name _____ Check #: _____
 City or Town _____ Pastor's Name: _____

Shared Ministry Apportionments:		Health & Welfare Ministries:	
40-4000-0400 World Service & Conf. Benev. (Connec. Ministries)	\$	60-4100-0557 Anchor House	\$
43-4000-0450 Clergy Support	\$	60-4100-0588 Children's Home of Binghamton	\$
10-4000-0500 Administration	\$	60-4100-0581 Bethel Meth Home of Brooklyn	\$
70-4000-0502 Ministerial Education	\$	60-4100-0482 Bethany Home of Brooklyn	\$
71-4000-0503 Black College Fund	\$	60-4100-0583 Brooklyn M. C. Home	\$
72-4000-0506 Missional Priority	\$	60-4100-0585 Methodist Home of NYC	\$
73-4000-0509 Africa University	\$	60-4100-0587 Methodist Home of CT Station	\$
		60-4100-0571 NY Meth Hospital Brooklyn	\$

Conference, District and other Gifts (specify other gifts):

60-4100-0551 United Methodist City Society	\$	60-4100-0516 World Communion	\$
60-4100-0552 C. District Mission Society	\$	60-4100-0517 Human Relations Day	\$
60-4100-0594 Camp Schenectady	\$	60-4100-0515 One Great Hour of Sharing	\$
		60-4100-0606 Native American Awareness	\$

Conf. Mission Advance Projects

60-4300-0650 Mozambique	\$	60-4100-0589 Go. dev. Crisis	\$
60-4300-0670 Rwanda	\$	60-4100-0318 Peace with Justice	\$
60-4300-0113 Costa Rica	\$	60-4100-0321 U.M. Student Sunday	\$
60-4300-0060 Haiti	\$		
60-4300-0030 Cambodia	\$		
60-4300-0042 Ghana	\$	90-000-0511 Integrity in Pensions	\$

IF PAYMENTS FOR PRIOR YEAR SHARED MINISTRY APPORTIONMENTS:

43-4050-0967 Clergy Support	\$	72-4050-0965 Missional Priority	\$
10-4050-0566 Administration	\$	71-4050-0962 Black College Fund	\$
40-4050-0560 World Service & Conf. Ben. (Connec. Ministries)	\$	73-4050-0964 Africa University	\$
		70-4050-0961 Ministerial Education	\$

TOTAL AMOUNT ENCLOSED _____

MAKE CHECKS PAYABLE TO: NEW YORK ANNUAL CONFERENCE of the UMC

Signature _____ Mail To: **NYAC of the UMC**
 P.O. Box 9458
 Unindale, NY 11555-9458

Phone # _____

****Please Remit Funds for EMERGENCY ADVANCES directly to:**
UMCOR
 475 Riverside Drive Rm 1439
 New York, NY 10115



Positions Required in All Congregations

Every congregation must make provision for including these functions according to *The Book of Discipline of the United Methodist Church*, ¶244. Positions may be combined except for the financial functions. "The positions of treasurer and financial secretary should not be combined and held by one person, and the persons holding these positions should not be immediate family members (¶258.4)."

- **Nominations and Leader Development Committee** (¶258.1)
- **Pastor/Staff-Parish Relations Committee** (¶258.2)
- **Trustees** (¶258.3 and ¶2524 to 2550)
- **Finance Committee Chairperson** (¶258.4)
- **Lay Leader** (¶251.1)
- **Lay Member of Annual Conference** (¶251.2)
- **Financial Secretary** (¶258.4)
- **Church Treasurer** (¶258.4)
- **Membership Secretary** (¶234 and ¶235 to 242)
- **Leadership Team** (also called Church Council, Administrative Board) Chairperson (¶251.3)



Financial Secretary

Role:

- Receives, records, and deposits funds in a timely, thorough and confidential manner.
- Works with the treasurer and finance committee to develop policies and procedures so that funds can be made available to support the ministry of the congregation.

Qualifications:

- Skills and interest in financial record keeping; ability to keep detailed, accurate records and maintain appropriate confidentiality; ability to work with individuals and ministry teams.
- Skills in identifying new revenue sources along with an understanding of biblical stewardship and management of all resources that God provides.

Responsibilities:

- Deposits money as soon as possible after it is received.
- Works according to the guidelines established by the committee on finance to receive funds, record them, and report them to the church treasurer and the committee on finance.
- Maintains records of how much money is given by whom and report amounts received.
- Checks the records against those of the treasurer and keeps records in good order for audit.
- Arranges for collecting offerings received during worship services and other church gatherings at the conclusion of these events, making certain that more than one person is involved in collecting and counting the money.

More information available at:

- <http://www.gbod.org/site/apps/nlnet/content3.aspx?c=nhLRJ2PMKsG&b=5842747&ct=7596887>
- See handout “Job Description for the FINANCIAL SECRETARY”



Treasurer

Role:

- Disburses funds in a responsible and timely manner, with funds identified and bills paid when due, as directed by the church council.

Qualifications:

- Should demonstrate skills and interest in financial matters; have the ability to keep detailed, accurate records and maintain appropriate confidentiality; have an understanding of biblical stewardship and management of resources that God provides.

Responsibilities:

- Disburses all money contributed to the local church budget, keeping accurate records of how money is spent.
- Manages disbursement of funds according to the guidelines established by the committee on finance for total fiduciary responsibility. This includes maintaining compliance with all disciplinary requirements and applicable governmental tax guidelines.
- Works with the Financial Secretary to check the records, quarterly, and keeps records in good order for an annual audit.
- Works with the Financial Secretary and chair of the committee on finance to make regular financial reports to the committee on finance, church council, and the charge conference.

More information available at:

- <http://www.gbod.org/site/apps/nlnet/content3.aspx?c=nhLRJ2PMKsG&b=5842747&ct=7598999>
- See handout “Job Description for the CHURCH TREASURER”



Finance Committee

Role:

- An effective finance team proposes a budget, then raises, manages, and distributes the financial resources to support and strengthen the mission and ministry of the congregation.

Qualifications:

- Ability to listen to and communicate with people of all ages who have ideas about the mission and ministry of the congregation. Skills with financial budgetary matters along with understanding of Biblical stewardship and management of the resources God provides.

Structure:

- Comprised of a chairperson, pastor, lay member of annual conference, chairperson of church council, chairperson or rep. from staff-parish committee, a representative of the trustees, lay leader, financial secretary, treasurer and others determined by the charge conference.

Responsibilities:

- Compile annual budget to support mission and vision of the church. Submit budget to church leadership for review and adoption. Throughout the year, recommend changes to the approved annual budget to the church leadership team.
- Develop and carry out plans to raise sufficient income to support the approved budget.
- Establish written financial policies for the church
- Recommend proper depositories for church funds; carry out the church leadership team's directions about administration and disbursement of funds; and follow procedures for the church treasurer and the financial secretary.
- Arrange for annual audit of financial records of church and all its organizations and accounts.

More information available at:

- http://www.gbod.org/site/apps/nlnet/content3.aspx?c=nhLRJ2PMKsG&b=5842747&ct=7572851&n_otoc=1
- See handout “Job Description for the CHAIRPERSON OF THE COMMITTEE ON FINANCE”



Resources

Discussion Forum

On-line Google Group for NYAC Treasurers

<http://groups.google.com/group/nyac-treasurers>

Policies:

GCFA Local Church Audit Guide

http://www.gcfa.org/PDFs/Local_Church_Audit_Guide.pdf

Tips for Preventing and Catching Misuse of Church Funds for Pastors/Audit Committees From a Church That Has Been There:

<http://www.gcfa.org/misuseofChurchFunds.html>

Websites:

New York Annual Conference: <http://www.nyac.com>

General Council on Finance & Administration: <http://www.gcfa.org>

General Board of Pensions & Health Benefits: <http://www.gbophb.org>

United Methodist Association of Church Business Administrators: <http://www.umacba.org>

UMC Giving: <http://www.umcsgiving.org>



Key Contacts / Websites

Ross Williams	Treasurer	914-615-2212	<u>rwilliams@nyac.com</u>
Sam Rosenfeld	Controller	914-615-2214	<u>srosenfeld@nyac.com</u>
Sally Truglia	Benefits Administrator	914-615-2120	<u>struglia@nyac.com</u>
Fran Collins	Apportionments Integrity in Pensions Parish Development	914-615-2223	<u>fcollins@nyac.com</u>
Gail Kamerman	Accounts Payable	914-615-2215	<u>gkamerman@nyac.com</u>
Heman Persaud	Billing for Health Insurance , Pension, Workers Comp.	914-615-2232	<u>hpersaud@nyac.com</u>



Back-up Slides



General Church Apportioned Funds



The [World Service Fund](#) is the heart of our denomination-wide ministry, underwriting Christian mission and ministry around the world. This fund strengthens our evangelism efforts, stimulates church growth, expands Bible studies and enriches spiritual commitment. By giving to the World Service Fund we help God's children everywhere shape the lives of tomorrow's leaders and proclaim our Christian faith.

The fund demonstrates the Mission of the United Methodist Church by:

- Supporting specific local church work with children, youth, students, persons who are mentally and physically challenged, adults and older persons;
- Providing leadership and coordination for denominational ministry with youth;
- Continuing nearly 200 years of commitment to quality college and graduate education;
- Certifying United Methodist professional Christian educators, communicators and musicians;
- Assuring United Methodists speak & work to help encourage a more ethical, just & human world;
- Continuing a proud tradition of cooperation and dialogue with other faith traditions through interdenominational and ecumenical work;
- Giving our denomination a presence in the mass media and making new communications technologies accessible to the church.



General Church Apportioned Funds

The [Africa University Fund](#):

- continues to develop the first private university for young people in Africa
- offers post-secondary education for students through colleges of agriculture and natural resources, management and administration, theology, education, health sciences, and humanities and social services.
- offers post graduate faculties in agriculture, management & administration, theology, health sciences, & peace & governance.



The [Black College Fund](#):

- helps these institutions to maintain solid, challenging academic programs; strong faculties; & well-equipped buildings
- creates vibrant spiritual environments which encourage pride & self-esteem in the accomplishments of African-Americans
- provides opportunities for students to interact with academic staffs that serve as strong cultural & spiritual mentors
- prepares & educates people for the new global & technological world without veering from an academic excellence based on the Christian perspective of community service & social responsibility



General Church Apportioned Funds



The Episcopal Fund:

- pays the salaries of our bishops
- pays the expenses of episcopal offices
- supports the costs of providing & maintaining episcopal residences
- provides pension & health benefit coverage for bishops & their families
- provides disability coverage for bishops
- covers the costs of episcopal travel and meeting expenses
- defrays moving expenses
- provides pensions for surviving spouses, and minor children of deceased bishops

The General Administration Fund:

- implements a trustworthy system of administrative oversight & fiscal accountability
- underwrites the legislative work of the General Conference
- funds the work of the Judicial Council to adjudicate questions of church law
- maintains United Methodism's official documents & historical artifacts
- designates historical shrines, landmarks & sites



General Church Apportioned Funds



The Interdenominational Cooperation Fund:

- enables United Methodists to have an effective presence in the activities of several national & worldwide ecumenical organizations
- provides the United Methodist share of the basic budgets of those organizations which relate to the ecumenical responsibilities of the Council of Bishops & the General Commission on Christian Unity and Interreligious Concerns
- Pays for the travel expenses of United Methodist representatives to meetings of these organizations

The Ministerial Education Fund:

- enables churches to unify & expand financial support for the recruitment & education of future pastors & bishops;
- equips annual conferences to meet the increased needs of people in the ministry
- accounts for 12 to 20 percent of the annual budget of most United Methodist seminaries
- 25% of the receipts assist candidates for ministry, to support continuing education for pastors and clergy recruitment and to provide financial aid for students in your annual conference.
- 75% is disbursed to the 13 United Methodist seminaries to assist candidates for ordained ministry through scholarships and faculty salaries. It also goes to the General Board of Higher Education and Ministry to support the work of the Division of Ordained Ministry.



New York Annual Conference
The United Methodist Church