

# The Synod of the Trinity

## Regional Connection for Partnership and Networking

April 21-26, 2016

### Resourcing and Equipping our Congregations in Meeting Financial Challenges – A Workshop for Presbytery Leadership

#### SUMMARY

##### Information Shared/Learned

- Philadelphia The “Guidelines for Financial Activity” manual and associated PowerPoint
- The need for offsite backup of financial information was stressed.
- “Money & Spirituality” presentation has been designed by Larry Davis and used for pastors and congregations of Philadelphia Presbytery.
- Tithing (whether from gross or net) is energizing for congregations. Try this for “once a quarter” to begin challenge.
- 501-3 C. We are a group exemption under the PCUSA.
- Companies in PA do not necessarily have to honor sales tax exemption. You can appeal directly to the state and be reimbursed.
- Parking lots are necessary for church ministry. Non-taxable.
- Accountable reimbursement policy should be adopted by each presbytery and local churches. Sign-off needed.
- Record Retention Guide needs to be developed by presbyteries.
- Financial review guides for congregations should be developed and put on the presbytery website.
- Philadelphia offers a Grant Writing workshop – primarily pertaining to Philadelphia Presbytery grant opportunities.
- Per Capita Collection Discount Program’s. 5%, 3%, and 2% discounts. (Pittsburgh)
  - Building issue discussion. What does this mean for the future?
  - We need to be able to build a new model of pastoral ministry and training/reframing the questions around stewardship and finances. Conversations must happen.
  - WebEx meetings would be helpful on discussion areas above.
- Putting financial/stewardship documents up on Synod website
- Housing Allowance

- The minister must make a request each year to the Session for the exact allowance and be certain that same is approved and documented with a record in the payroll file.

### **Resources Shared/Identified**

- Philadelphia The “Guidelines for Financial Activity” manual and associated PowerPoint
- Articles from “Church Law & Tax” are available by request from their website
- Stewardship Manual is available from PCUSA Foundation
- “Money & Spirituality” PowerPoint
- “Remember the Future” by Gerald Keucher (excellent book about capital funds)
- Planned giving materials available through the Presbyterian Foundation and is the best resource for churches.
- Presbyterian Foundation has short stewardship videos available for congregations.
- The Church Network – continuing ed opportunities, networking, and Certified Church Administrator Certification.
- Simpler Internal Audit – From Philadelphia and Pittsburgh

### **Suggested Action Items**

- Synod produce/distribute various resources on stewardship.
- Financial Newsletter to Clerks of Session
- Have Financial Resources Page under Synod Website:
  - Sample Treasurer Manual
  - PowerPoints (Treasurer training, Money and Spirituality)
  - Sample Financial Review Documents
  - Directions for obtaining 501c3 letter
  - Sample Housing Allowance Request letter
- Notify other presbyteries when training is being offered (eg Philadelphia’s training sessions, or Child Protection Training – Huntingdon(?))
- Synod obtain an umbrella license for Tax and Law, particularly their newsletter
- WebEx meetings would be helpful on
  - Building issue discussion. What does this mean for the future?
    - How does Philadelphia help congregations “sell/lease back” their buildings?
  - We need to be able to build a new model of pastoral ministry and training/reframing the questions around stewardship and finances. Conversations must happen
  - Adapting to new paradigms – fewer teaching elders
  - How to handle on teaching elder or CRE serving multiple congregations
  - Insurance Options – best practices for how to select and shop for
  - Online Payments – how to – Presbyterian Foundation – Paypal... etc.

## Regional (Presbytery) Differences Noted

- Philadelphia has created an expectation for continuing financial education. This is NOT the case in the other areas. Other Presbyteries need to help Treasurers Know what they don't know.
- Training for Child Protection Training (Krislund, early June)

# APPENDIX

## (Notes taken at regional meetings)

### THURSDAY, APRIL 21 – at Allentown Presbyterian Church

- a. The “Guidelines for Financial Activity” manual for Philadelphia Presbytery is available for uses by local congregations. It covers Book of Order requirements, Functions of a Church Treasurer, Internal Controls and Record Keeping, Investment and Endowment Funds, Audit and Finances Review, Insurance and Risk Management, Personnel, Stewardship and Budgeting. (Helpful checklist in appendix of manual.)
  - i. Pittsburgh also has helpful checklists available by request
  - ii. Articles from “Church Law & Tax” are available by request from their website
  - iii. (The need for offsite backup of financial information was stressed.)
  - iv. PowerPoint workshop for use by presbyteries in promoting resources for local church training of treasurers and sessions is available from Philadelphia Presbytery.
  - v. Stewardship Manual is available from PCUSA.
  - vi. “Money & Spirituality” presentation has been designed by Larry Davis and used for pastors and congregations of Philadelphia Presbytery.
    1. Planned giving materials available through the Presbyterian Foundation and is the best resource for churches.
    2. Churches without capital gifts-giving program is under-budgeting in their approaches
    3. “Remember the Future” by Gerald Keucher (excellent book about capital funds)
    4. Tithing (whether from gross or net) is energizing for congregations. Try this for “once a quarter” to begin challenge.

- b. Afternoon session
  - i. Suggested that Synod produce/distribute various resources on stewardship. Presbyterian Foundation has short stewardship videos available for congregations.

**FRIDAY, APRIL 22 – at Krislund Camp and Conference Center**

- a. Northumberland and Huntingdon offer training, but...
  - i. Apathy
- b. Insurance Options – how to shop might be of interest
- c. Training for Child Protection Training (Krislund, early June)
- d. Money and Spirituality
  - i. Sample budgets (small, medium, large) to ID what the heart of the congregation is)
- e. “Remember the Future” by Gerald Keucher
- f. PMA resources – stewardship manual
- g. Presbyterian Foundation – great stewardship manual
- h. Sale and lease back for small/dying congregations
- i. Documents requested
  - i. Copy of Simpler Internal Audit
  - ii. Per capita

**MONDAY, APRIL 25 – at Crestfield Camp and Conference Center**

- a. 501-3 C. We are a group exemption under the PCUSA.
- b. Companies in PA do not necessarily have to honor sales tax exemption. You can appeal directly to the state and be reimbursed.
- c. Parking lots are necessary for church ministry. Non-taxable.
- d. Accountable reimbursement policy should be adopted by each presbytery and local churches. Sign-off needed.
- e. Record Retention Guide needs to be developed by presbyteries.
- f. Financial review guides for congregations should be developed and put on the presbytery website.
- g. Major discussion took place concerning disseminating financial and policy info to the local churches.
- h. Per Capita Collection Discount Program’s. 5%, 3%, and 2% discounts.
- i. Building issue discussion. What does this mean for the future?
- j. We need to be able to build a new model of pastoral ministry and training/reframing the questions around stewardship and finances. Conversations must happen.

- k. WebEx meetings would be helpful on discussion areas above.
- l. Putting financial/stewardship documents up on Synod website.

## **TUESDAY, APRIL 26 – at Morgantown Presbyterian Church**

- a. Roy encourages associating with Church Network especially for the certification of financial persons.
- b. He also called attention to Church Tax and Law on line as an invaluable resource. Chantal noted that Synod is attempting to obtain an umbrella license for for obtaining contact, particularly their newsletter.
- c. Roy noted that pghpresbytery.org provides for forms and policies of the numerous financial applications that churches may need.. He then proceeded to highlight some issues:

Accountable Re-imbursement Policy for Employees

Rules for use of corporate credit cards.

Letters for 501c3 applications or proof of eligibility

- a. Pittsburgh Presbytery offers this to churches. General Assembly Legal is also quite helpful.
- b. PA sales tax exemption
- c. Synod provides an umbrella coverage. Note this renews every ten years.
- d. Housing Allowance
  - a. The minister must make a request each year to the Session for the exact allowance and be certain that same is approved and documented with a record in the payroll file.
- e. Formal policy for record retention required. One source for assistance is the Philadelphia Manual.
- f. Unrelated business income to a church. Caution is advised to avoid losing charitable status.
  - a. Less than \$1,000 annual income is no concern. Particular areas of concern are:
    - i. Any entity for profit who uses the church facility even if the payment is “in-kind.”
    - ii. Caveats: Parking Lots, Day care and Nursery Schools, Snow Removal...
- g. Discounts by the presbytery for per capita payment up front, i.e., beginning of the year etc.
  - a. Object is to smooth out presbytery income fiscally.

- h. Chantal proceeded to highlight the “Insurance and Risk Management” booklet that is available to participants, including some spontaneous cautionary issues such as:
  - a. Distinction between W-2 (employee) and 1099 (independent contractor) reporting
  - b. Value of contracting with Brotherhood Mutual Insurance
  - c. Cost savings
  - d. “They get it right”
  - e. Provide payroll service
  - f. Help with employment practices
  - g. Synod has partnership with them. Dividend experience that results in dispersal to
  - h. Participating parties per rata.
- i. On-line payments: Presbyterian Foundation and Paypal (cheaper)
  - a. “Giving Spiritually” power point by Gerald Keuchar
  - b. Downsizing insurance needs and costs to fit anticipated future. Why pay for replacement cost for a large building when there is no anticipation to do so?
- j. General discussion
  - a. Participants agreed that there are resources available that are underused. Based on the stories related, there is a need for education of financial persons before the need is recognized after the fact and not just small churches. A foremost need is to help these persons recognize that they may not know what they do not know and to reach them.
  - b. Offering a WebEx on targeted subjects.
  - c. Newsletters with targeted subjects.
  - d. Finance persons in presbyteries take an active role in raising awareness of the resources that are available already. Pittsburgh and Philadelphia have a good process already.