

**NEWS FROM THE BUSINESS MANAGER**  
***Iowa District West Congregation's Mission Receipts***



<b>For the Month Ending November 2011</b>	
Anticipated Amount	\$ 146,250
Actual Receipts	\$ 142,309
<b>Fiscal Year-to-Date Receipts</b>	
Anticipated Amount	\$1,462,500
Actual Receipts	\$1,435,932
Over (under) anticipated amount	\$ (26,568)
<b>Use of Mission Receipts</b>	
Remitted to Synod (44%)	\$ 632,336
Balance for District programs/operations	\$ 803,596
Total Receipts	\$1,435,932
<b>Mission Receipts Compared With Last Year</b>	
Year-to-date 2011	\$1,435,932
Year-to-date 2010	\$1,424,187
Over (under) last year	\$ 11,745

**Lutheran Church Extension Fund**

The mission of Lutheran Church Extension Fund is to provide opportunity to make funds and services available in support of the Great Commission through The Lutheran Church - Missouri Synod.

As of November 2011, 975 investments in Iowa District West totaled \$30,861,452. Those investments are providing opportunity for 55 loans totaling \$10,619,499 plus commitments totaling \$504,655. LCEF puts invested dollars to work in mission and ministry right here in Iowa District West.

If you are interested in investing in the ministry of LCEF or if you have questions on the loans and services provided to our congregations, please contact Carole White.  
**Come, Join the Ministry!**



Pastors and Church Secretaries: How about including a brief note about LCEF in your church newsletter or bulletin? Please use the following short paragraph—thank you!

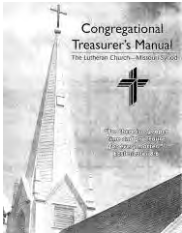


**Season's greetings of joy and wonder!**

During the blessed season of our Savior's birth, Lutheran Church Extension Fund gives many thanks and praise. Our thoughts turn to those friends who have helped us make a difference in the lives of those seeking the true meaning of this season. May each of you find peace in His grace. Lutheran Church Extension Fund ([www.lcef.org](http://www.lcef.org)) wishes you a blessed and joy-filled Christmas!

## Stewardship Spark / Monthly Money Mission Moment

Did you know that your congregational mission dollars support the District budget in a variety of missions, programs, projects, and activities? This month deaf ministry is highlighted. The budget provides \$151,749 for deaf missions as we partner with other congregations who directly support deaf ministry. Our two full-time missionaries, Rev. Dennis Konkol and Pat Monroe, and our deaf deacon, Patrick Sell, are leading the deaf church and interpreting services to these deaf people in areas like Ames, Council Bluffs, Des Moines, Fort Dodge, and Sioux City. The deaf missionaries are training and empowering the members to take greater responsibility in ministry, making increasing use of technology. They are helping to reach out to many isolated deaf persons in small towns and rural areas and sharing the good news about Jesus with them.



## Church & Clergy Finance/Treasurer's Workshop

It's not too late to register for the Treasurer's Workshops scheduled for Saturday, January 14 at St Paul, Sac City and Saturday, January 21 at Faith, Adel. These workshops will begin at 9 am and end at 3 pm. The cost is \$25 per congregation which includes materials (one Congregational Treasurer's Manual per church) and lunch. Any individuals within the church having financial responsibilities should attend. The workshop is extremely beneficial for new pastors and treasurers.

Thanks to Carole White and Lutheran Church Extension Fund for providing lunch. The afternoon session will include a presentation from Concordia Plan Services. Any questions contact Roger Curtis at the District Office or email [Roger.Curtis@idwlcms.org](mailto:Roger.Curtis@idwlcms.org). The brochure and registration form is available online at [www.idwlcms.org](http://www.idwlcms.org) (click on "Finance/Treasurer Workshop" under events.) The direct link is [www.idwlcms.org/district\\_news/information/treasurers\\_workshop\\_brochure.pdf](http://www.idwlcms.org/district_news/information/treasurers_workshop_brochure.pdf)

If you are unable to attend the workshop, you can purchase volume 1 of the Congregational Treasurer's Manual and CD for \$10. For quick reference, the document is on the LCMS website at [www.lcms.org/ctm](http://www.lcms.org/ctm).



## Taxes and Ministers Document

The 2011-2012 edition of "Taxes and Ministers," a 32-page document designed for ordained and commissioned ministers, is online at [www.lcms.org/churchoffice](http://www.lcms.org/churchoffice) (scroll down to "Financial Matters").

## 2012 IRS Mileage Rates

Beginning January 1, 2012, the standard mileage rate used to reimburse workers' business miles under an accountable reimbursement arrangement will remain at 55.5 cents per mile. The accountable reimbursement is the most favorable because the congregation does not have to report the reimbursement as compensation paid to the employee on Form W-2. The employee should document the amount, time and place, business purpose, and business relationship. Employees should substantiate miles at least every 60 days. The standard medical and moving mileage rate has likewise decreased to 23 cents per mile (from 23.5 cents). The rate used for charitable deduction purposes, set by statute rather than IRS, remains at 14 cents per mile.

Churches may choose to reimburse a lower rate without any tax consequences. If the church chooses to reimburse at a rate higher than the IRS approved rates, the church must add the excess amount to the employee's taxable income. To read the complete IRS announcement, go online to [www.irs.gov](http://www.irs.gov) and click the news link "2012 Mileage Rates" or direct link [www.irs.gov/newsroom/article/0,,id=250882,00.html?portlet=107](http://www.irs.gov/newsroom/article/0,,id=250882,00.html?portlet=107).



## Job Descriptions

The start of a new year is a good time to review job descriptions. Not only is it necessary in filling church positions, but it is helpful in carrying out annual performance appraisals. Just like the emergency flashlight needs a periodic battery check, job descriptions should also be kept up-to-date. It's smart to update job descriptions taking into account new staff responsibilities, changes in programs or technology. Synod's website ([www.lcms.org/churchoffice](http://www.lcms.org/churchoffice)) has suggested position descriptions for a variety of staff and officer positions (each category has several descriptions).

## 2012 Receipt Vouchers & District Convention Assessment

New vouchers will be available at the treasurer's workshops. They are for remittances beginning February 1, 2012. In addition to budget dollars, monies for District missionaries can also be included on this form. Receipts for non-budgetary agencies should be sent directly to the organization.

Included in the mid-January treasurer receipt voucher mailing will be the District Convention assessment. The official communicant count will be retrieved from the 2012 Lutheran Annual (2010 statistics). If no number is reported, the estimated number must be paid. Synod receives this information from the Congregation Statistics Report which will be mailed early January and is due February 28, 2012. It is important this information is reported accurately and promptly so District has correct numbers for convention assessments and other statistical reporting.

## Gifts to Church Workers

Christmas gifts to church workers from the congregation in most cases represent taxable income and not a tax free gift. Be sure to report correctly on the recipient's W-2 the amount of these gifts. Also important to note, donations made by members for these gifts are not included as tax deductible contributions recorded by the church office. Complete details included in the Taxes and Ministers document (page 12) located online at [www.lcms.org/churchoffice](http://www.lcms.org/churchoffice).

## 2012 Pledge Form



The 2012 Congregation Mission and Ministry Commitment forms have been sent to all 177 congregations. If your church has not yet completed the form, please return by January 15. Your intention of support assists us in planning our budget. If you need another copy, print a copy online at [www.idwlcms.org/resources/forms/commitment\\_form.pdf](http://www.idwlcms.org/resources/forms/commitment_form.pdf) or contact [Sue.Light@idwlcms.org](mailto:Sue.Light@idwlcms.org).

## Final 2011 District Remittances

Final receipts for 2011 will be received and credited to congregations through January 25, 2012. The District's fiscal period ends January 31, so we ask that all receipts be mailed before the deadline to ensure they will be credited to the correct fiscal period.

## Completing W-2 Forms

A W-2 form must be issued to any employee who received compensation from your church in 2011. The form must be completed by January 31, 2012. Remember to submit copies of all W-2 forms (copy A) along with the W-3 transmittal (summary) form before March 1, 2012, to the Social Security Administration (SSA). It is a good idea to distribute W-2 forms early in January so employees have time to verify the accuracy of them before sending the forms to the SSA in February. Some tips to consider:

- Be sure to add cents to all amounts and remember amounts are without a dollar sign and commas.
- Include in box 1 all wages paid to the employee during the year including: salary, taxable fringe benefits (Concordia Plans group term life insurance), Christmas gifts, and any other income or business expense reimbursements paid under a "non-accountable plan." Taxable income should not include any housing allowance dollars, the value of the parsonage or any dollars sheltered from income tax by a congregational housing allowance resolution.
- Include in box 14 optional information such as housing allowance, although this is not mandatory by the IRS.
- To reduce discrepancies, "proof" the amounts reported on W-2, W-3, and 941 forms. Be sure the amounts on Form W-3 are the total amounts on W-2 forms. Reconcile W-3 with your four quarterly 941 forms by comparing amounts reported for income tax withholding (box 2), Social Security and Medicare wages (boxes 3, 5, 7), Social Security and Medicare taxes (boxes 4 and 6). The IRS is looking more closely at Form 941 discrepancies for "audit potential."
- Note: the IRS has added code D to box 12 to report the cost of employer-sponsored health coverage although this is NOT mandatory for 2011.

Churches must submit to the IRS Copy A of each 2011 1099-Misc form issued to self-employed people along with a 1096 transmittal form before March 1, 2012.

To learn more, consult the Congregational Treasurer's Manual, chapter 7, section 7.350 and also register for the Church & Clergy Finance/Treasurers Workshop on Saturday, January 14 (Sac City) or Saturday, January 21 (Adel).

### Pre-retirement Workshop

CPS & IDW are sponsoring a pre-retirement workshop at Trinity Lutheran Church in Algona on February 10-11, 2012. Pastors and professional church workers, especially those over 50 years old, are encouraged to attend. To register, email [Sue.Light@idwlcms.org](mailto:Sue.Light@idwlcms.org). More information is online at [www.idwlcms.org](http://www.idwlcms.org) (click on the link under "events").

### Concordia Plan Services Tax Time Tips

The 2011 W-2 forms you issue to your workers may require Plans information. The following tax tips apply:

1. On the form, the "Pension Plan" box needs to be checked for those workers enrolled in the Concordia Retirement Plan.
2. The instructions with the "2011 Cost of Group Term Life Insurance" explain how to report the Taxable Income Amount on a worker's W-2. Remember to add the FICA, state, and federal taxes to the lay worker's paycheck before year-end (if you haven't already). Refer to the Congregational Treasurer's Manual, Chapter 4, section 4.600 regarding Plans Group Term Life Insurance.
3. All 403(b) withholdings (i.e. MetLife) are reported on Form W-2 in Box 12 with code "E" displayed.



### Walgreens and Express Scripts

A reminder that effective January 1, 2012, Concordia Health Plan (CHP) members will no longer partner with Walgreens. The network pharmacy with prescription drug coverage will be through Express Scripts. Concordia Plan Services has developed some Frequently Asked Questions for both members and employers. You can find these FAQs at [www.ConcordiaPlans.org](http://www.ConcordiaPlans.org) under Healthcare/Concordia Health Plan and then by selecting your CHP Option and Prescription Drug Expenses.

### Concordia Retirement Savings Program (CRSP)

For those church workers in the Church's Plan, now is a good time to enroll in the CRSP or increase the contribution through MetLife. With a new year, salaries often increase. A portion of the raise could be saved for retirement. The best part is Concordia Plan Services will provide a match. More details on the CRSP can be found at [www.concordiaplans.org/DetailPage.aspx?ID=104](http://www.concordiaplans.org/DetailPage.aspx?ID=104). The administrative fee is only \$7.50 per quarter and the ProManage fee is only \$.00208 times your account balance.

Employers must remit all CRSP contributions by the year-end payroll processing deadline in order for workers' contributions to be used to calculate the fourth quarter 2011 Basic Match.

- For employers who process deferrals utilizing SOMI (Sheffield, Olson, & McQueen, Inc.), the deadline is Friday, December 23, 2011, by 3:00 p.m.
- For employers who process deferrals utilizing the MetLife website, the deadline is Thursday, December 29, 2011, by 12:00 a.m.

Any deferrals withheld in 2011 and not deposited by the above deadlines could cause some participants not to receive their full Basic Match. Contributions submitted after the deadline will be used to determine the Basic Match for 2012.

Remember the IRS regulations require that tax-deferred worker contributions be deposited into the worker's account within 15 business days after the end of the month in which the funds were withheld.



If you missed the Be Well Rewards program in 2011, you will have a chance to participate in an even better program in 2012. The good news is the program continues in 2012 with a potential for workers to earn up to \$300 (and those engaged in 24 consecutive weeks of physical activity can earn an additional \$50). Beginning February 1, members and their spouses will be able to log in with the same username and password and start tracking as the 2012 program kicks off. Be watching for details about the 2012 Be Well Rewards program!