

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



<u>For the month ending September 2009</u>	
Anticipated Amount	\$154,167
Actual Receipts	\$138,031
<u>Fiscal Year-to-date receipts</u>	
Anticipated Amount	\$1,233,333
Actual Receipts	\$1,177,658
Over (under) anticipated amount	\$ (55,675)
<u>Use of Mission Receipts</u>	
Remitted to Synod (42%)	\$ 494,617
Balance for District programs/operations	\$ 683,041
Total Receipts	\$1,177,658
<u>Mission Receipts Compared With Last Year</u>	
Year-to-date 2009	\$ 1,177,658
Year-to-date 2008	<u>\$1,238,170</u>
Over (under) last year	\$ (60,512)

**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 September 2009, 1057 investments in Iowa District West totaled \$29,674,075. Those investments are providing opportunity for 58 loans totaling \$12,106,261 plus commitments totaling nearly \$990,000. 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!



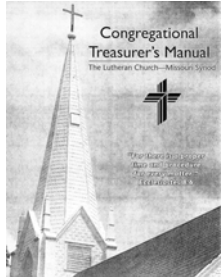
**Oh give thanks unto the Lord!** Our God has richly blessed us with monetary blessings! There are many ways to handle the money we have been blessed with. One way is saving with Lutheran Church Extension Fund (LCEF) where you not only receive interest on your money but you also help provide space and place for ministry when LCEF provides loans to ministries. Consider investing with LCEF as a way of investing in someone's salvation. For more information, contact Carole White at 877.439.5233 or [carole.white@lcef.org](mailto:carole.white@lcef.org).



**MAKING A  
DIFFERENCE  
IN THINGS  
ETERNAL**

## Stewardship Spark / Monthly Money Moment

Did you know that your congregational mission dollars support the District budget in a variety of missions, programs, projects, and activities? This month the part of the budget that is highlighted is equipment, computers & technology. The District budget support this account \$7,500 in 2009. This includes all hardware (computers built in house to save money), software, training, and LCMS technology agreement of \$1,200. District purchases Microsoft software through the Charity Open License Discount program (Microsoft Windows and Office Professional also available to churches) to save costs.



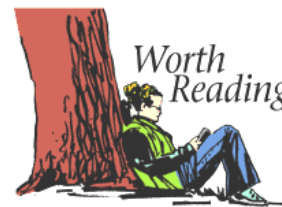
### Congregational Treasurer's Manuals

Congregational Treasurer's Manuals and CDs have arrived! If you would like to purchase a book, the cost is \$10.00. This year the new book only includes Volume 1 (volume 2 did not change). For quick reference, the document is on the LCMS website at: [www.lcms.org/ctm](http://www.lcms.org/ctm). The manuals will also be available at the annual treasurer's workshop (Saturday, January 9 in Guthrie Center and Saturday, January 16 in Spencer). These manuals are extremely helpful tools for staff, treasurers, and church councils to better understand the many aspects of the congregation's business needs.

### Taxes and Ministers

The 2009-2010 edition of TAXES AND MINISTERS, a 32-page document is now available at [www.lcms.org](http://www.lcms.org) (click on resources for congregations, administrative resources, and Taxes and Ministers) or direct link is <http://www.lcms.org/graphics/assets/media/LCMS/taxmin.pdf>. This booklet, designed for ordained and commissioned ministers of the LCMS, includes:

- ❖ The IRS's definition of minister
- ❖ Employment status: W-2 or 1099
- ❖ Housing/parsonage allowance
- ❖ Reporting income and expenses
- ❖ Paying federal and state taxes
- ❖ Social Security taxes
- ❖ Tax-favored savings plans



### Church & Clergy Finance/Treasurer's Workshop

This workshop will be presented on Saturday, January 9 at Immanuel, Guthrie Center and January 16 at First English, Spencer from 9 am – 3 pm. Cost will be \$22 per congregation which includes registration, materials, and lunch. Any individuals within the church having financial responsibilities should attend. The guest speaker on January 9 will be Mr. Robert Joy, CPA, a consultant and speaker who specializes in church and clergy taxes and non-profit audits. The speakers on January 16 will be Sally Bohmer and Randy Gayken, South Dakota District Business Manager, who has nearly 30 years of church treasurer experience.

Thanks to Carole White and Lutheran Church Extension Fund for providing lunch. The afternoon session will include a presentation from Concordia Plan Services. The brochure and registration form was distributed at the Pastors Conference and also is online at [www.idwlcms.org](http://www.idwlcms.org).

The Congregational Treasurer's Manual will be the guidebook for the day focusing on IRS Reporting Requirements, Clergy Tax issues, Housing Allowance, Payroll, Employee vs. Outside Contractor Status, Contribution by Donors, Unrelated Business Income, Bookkeeping, Guide for Financial Review Committee, and more.



### Successful Secretaries Conference

On September 22, First English, Spencer hosted a fantastic conference for office professionals. Jenny Herrick, a professional humorous and motivational speaker who travels the US, was fabulous! She encouraged church secretaries to use humor to improve job performance and relieve stress. She talked about proper phone etiquette. Nearly 90 secretaries from around the District enjoyed two humorous keynote messages. Rev. Paul Kaldahl led a Bible lesson/group discussion and a question and answer session assisted by Rev. Phill Andreasen. Mark your calendars for next year; the date is tentatively scheduled for Tuesday, September 21, 2010 at St. Paul, Ankeny.

## Identify and prevent embezzlement!

Can embezzlement happen at your church or school?

Fraud occurs in many churches, large or small. No church is exempt. Below are several tips from Church Mutual Insurance Company Summer 2009 Risk Reporter.

What can be done to prevent employee theft or dishonest practices when it comes to the finances of the organization? Here are 10 prevention steps to take immediately:

1. Use a check-and-balance system – Do not allow one person to have control of financial transactions.
2. Reconcile bank accounts every month – Examine canceled checks and bank statements.
3. Restrict credit card use – Limit the number of credit card users, set account limits and require original receipts for all purchases.
4. Provide oversight of the financial activity to be reviewed by a committee.
5. Create specific policies for cash disbursements, expense reimbursements and petty cash.
6. Ensure assets are used only for business purposes – Vehicles, cell phones and equipment.
7. Create a standardized document for all cash handling – Document specific reasons money changes hands.
8. Protect checks against fraudulent use – Require two signatures on all checks.
9. Protect cash and check collections – Reconcile cash receipts daily.
10. Restrict online bank account use – If possible, require all transactions be done with hard copies

To read the complete article, go to [www.churchmutual.com/riskreporter/index.php?id=33](http://www.churchmutual.com/riskreporter/index.php?id=33). Another great article to read is at [http://www.churchmutual.com/documents/RAFinancialSafeguards\\_Embezzlement.pdf](http://www.churchmutual.com/documents/RAFinancialSafeguards_Embezzlement.pdf)

Note the Congregational Treasurer's Manual Chapter 25 has a great checklist for internal control reviews.

## Ten Tips for Deducting Charitable Contributions

The Internal Revenue Service has offered the following tips to use when computing charitable contribution deduction:

1. Contributions must be made to a qualified organization to be deductible (typically any church, LCMS Recognized Service Organization and other non-profit entities).
2. You cannot deduct the value of your time or services.
3. If your contribution entitles you to goods or services, you can deduct only the amount that exceeds the fair market value of the benefit received (church contributions statements should include the phrase "no goods or services were provided to the donor other than intangible religious benefits").
4. Donations of stock or other property are usually valued at the fair market value of the property. Special rules apply to donations of vehicles. (See IRS publication "A Charity's Guide to Vehicle Donations.")
5. Clothing and household items donated must be in good used condition to be deductible.
6. Regardless of the amount, to deduct a contribution of cash, check, or other monetary gift, you must maintain a bank record or a written communication from the organization containing the name of the organization, the date and amount of the contribution.
7. To claim a deduction for contributions of cash or property equaling \$250 or more you must obtain a written acknowledgement from the qualified organization showing the amount of the cash and a description of any property contributed, and whether the organization provided any goods and services in exchange for the gift.
8. If you claim a deduction of more than \$500 for all contributed property, you must attach IRS Form 8283 "Noncash Charitable Contributions" to your return.
9. Taxpayers donating an item or group of similar items valued at more than \$5,000 must also complete Section B of Form 8283, which requires an appraisal by a qualified appraiser (for more information, see IRS Publications 526 regarding Charitable Contributions) and 561 regarding Determining Value of Donated Property).
10. Charitable contributions are deductible only if you itemize deductions using Form 1040, Schedule A.

The Congregational Treasurer Manual has more information about Contributions by Donors in Chapter 10.

Source: October 2009 Church Finance Today published by Christianity Today International; also online at <http://www.irs.gov/newsroom/article/0,,id=172936,00.html>.

## The 64<sup>th</sup> Synod Convention Assessment

Attention treasurers – please budget for the LCMS Synod Convention scheduled for July 10-17, 2010 in Houston. The assessment will be \$2.00 per communicate member. The amount increased due to the significant increase of the Synodical assessment (\$65,448), a pre-convention meeting in Minneapolis, and an extra two days in Houston. To cover this extra expense and the travel of 40 District delegates to Houston, all congregations will be required to pay this assessment. The official communicant count will be retrieved from the 2010 Lutheran Annual. Invoices will be sent to congregation treasurers mid-January 2010.

### Support the Armed Forces

Iowa District West has been blessed with monies from an estate designated for District armed forces ministry. IDW would like to continue partnering with your congregation by supporting military personnel who are members of your congregation. If you have military personnel overseas and you would like to let them know you are thinking about them this Thanksgiving and Christmas season, we will send your church \$125 per military staff to help cover gift and postage expenses. The District has already provided thousands of dollars to over 35 congregations. Please send your church name, individual name of troop(s), and country they are serving to [Roger.Curtis@idwlcms.org](mailto:Roger.Curtis@idwlcms.org). Special thanks to Julie and Van Harne who coordinated sending military care packages to service men and women this summer with the help of Camp Okoboji Youth Week retreaters.

### 2010 Housing Allowance

The housing allowance neither increases nor decreases the cost of the worker to the congregation. It may be designated whether the pastor lives in a home owned by the congregation, a rental dwelling, or owns his own home. The governing body of the congregation (church council or board of directors) should designate the amount requested by your ministers of the Gospel to be housing allowance prior to December 31, 2009 and must be documented in the written minutes of the meeting. The designation cannot be made retroactively, but can be amended from time to time as long as it is formally adopted by the employer. The designation may be a specific dollar amount or a percent of compensation. There is no suggested percentage by the Synod or a limitation based on a percentage of compensation by the IRS.

Churches should also designate a parsonage allowance for any minister who lives in a parsonage and who is expected to pay some of the expenses of maintaining the parsonage (i.e. utilities, furnishings, repairs, improvements, and yard care).



For more information on ministers of the Gospel and housing allowance, see the Treasurer's Manual, chapters 1 and 2. Chapter 2 also includes sample housing allowance resolutions. Housing Allowance will be discussed at the Church & Clergy Finance/Treasurer's Workshop in January 2010.

### Clergy Tax Preparers

As the end of the year nears, the question arises "who in Iowa can complete my taxes?" If you know of a qualified Certified Public Accountant (CPA) who specializes in or is familiar with pastor tax returns, please contact Roger Curtis and I will make a list of qualified CPAs.

### Concordia Plan Services (CPS) Update

All congregations should have received the 2010 Annual Compensation Report Form and Certification of Non-Participation of Ineligible Workers Report. Both of these reports need to be signed and returned to CPS by November 17. If budgets and salaries are not approved by this date, return a copy to CPS with a note indicating when your budget will be approved.

CPS & IDW will be sponsoring a pre-retirement workshop at the beautiful Boulders Conference Center in Denison on February 11-12, 2010. Pastors and professional church workers, especially those over 50 years old are encouraged to attend. More information is online at [www.idwlcms.org](http://www.idwlcms.org) and click on the link under events.

[www.concordiaplans.org](http://www.concordiaplans.org)

888.927.7526

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