



Dakotas-Minnesota Area

The United Methodist Church

Responsibilities for Fiscal Agents for New Church Starters in the Minnesota/Dakota Annual Conference.

April 2019 V 1.4

The Fiscal Agent will act as bookkeeper and hold funds for the new church start. The funds will come from grants (from the conference and other grants), weekly offerings and online giving, and one-time gifts. Although some Fiscal Agents simply treat the funds as “designated funds,” we recommend setting up a new checking account in the Fiscal Agent’s name and keeping a new set of books. Any costs of creating a new checking account, such as checks and the like, should be charged to the church start. This will simplify auditing and reporting. The Fiscal Agent may use their current payables/receivables software.

ROLES OF THE FISCAL AGENT

The Fiscal Agent will have the following responsibilities:

- The Fiscal Agent will provide payroll services for all pastors and employees of the new church start, including the processing and withholding of taxes.
- The Fiscal Agent will handle any medical insurance and retirement funds if a clergyperson has been appointed. The Fiscal Agent will be provided Form 5 of a Pastor’s Compensation to help process payroll.
- The Fiscal Agent will provide Workers’ Compensation coverage for the new church start. The actual cost will be covered by the new church start.
- If the Fiscal Agent is part of the **Minnesota Annual Conference** and uses the Worker’s Compensation from the annual conference. The conference office will be able to break down the cost for the Fiscal Agent and the new church start.
- **South Dakota:** Buying Workers Compensation coverage is optional, but the **employer is liable no matter what**. You can see this on page 2 of the SD Dept. of Labor’s guide on the subject (https://dlr.sd.gov/workers_compensation/publications/wcemployeeguide.pdf).
- **North Dakota:** Probably because it is State-owned insurance, there are very few exceptions, but it looks like church workers are an exception. Here’s their guide:<https://www.workforcesafety.com/employers/policyholders/insurance-coverage/coverage-requirements/who-needs-coverage>. but they made it clear that the **employer is still liable for workplace injuries** even if they are exempt from having to buy insurance.
- **All church plants must have Worker’s Compensation** coverage for pastors and staff. The conference office can help you with this.

Our pastors face quite a bit of risk of injury on the job including: Driving quite a few miles for visits or between churches in all sorts of conditions/traffic, Some participate in games with

children/youth in that ministry, Often the pastor may have to deal with the ice/snow in front of the church...either by walking over it or removing it, and all the various general maintenance things the pastor does such as rearranging tables/chairs. If the pastor goes to the doctor with an injury, the first thing that's asked was if this happened at work. The health insurance company will ask this again and again as well.

- The Fiscal Agent will process all payables for the new church start. The Fiscal Agent shall keep paid invoices.
 - If the Fiscal Agent is concerned about a specific charge, they can contact the Director of New Church Start for approvals
- The Fiscal Agent will handle all deposits and keep track of giving for the new church start. Yearly statements will be mailed to the givers.
- The Fiscal Agent will provide staff for annual audits of the books.
- The Fiscal Agent will provide monthly reports of income and expenses to the new church start. The Area Director of New Church Starts, DS, or conference staff may occasionally need additional reports.

Roles of the Church Start

New church start will have the following responsibilities:

- The church start will provide an appropriate budget line item information.
- The church start will give approval for payments of invoices.
- The new church start will deliver all cash and checks for deposit to the Fiscal Agent each week.
- The goal of the new church start is to fairly quickly develop a generosity team that will handle the process of recording the giving and mailing the statements. Each new church start will take time to develop this part of the new church start. They will follow the best practices as outlined on the conference website for church starts.
- A budget will be provided to the Fiscal Agent by the church start.

General Information

- Liability insurance for the new church start is covered by the local annual conference.
- The new church start will obtain a Visa card from the Methodist Credit Union of the Dakotas (first choice). The Fiscal Agent will have no liability for credit card charges or theft.
- None of the church start income or expenses will be reported as part of the Fiscal Agent tables reported to the annual conference.
- The role of the fiscal partner concludes when a new start is able to provide its own financial secretary, controls and is confirmed by the Director of New Church Starts

Any questions about this may be directed to John Mitchem at 303-885-7883 or

John@albertleachurch.org