



The Church of God General Ways & Means Committee
P.O. Box 450
Charleston, TN 37310

Introduction:

We, your Ways and Means Committee, bring greetings to this 114th World-Wide Annual Assembly of The Church of God. We extend our love and appreciation to our General Overseer, Bishop Oscar Pimentel, and his family. We also express our thanks to each one that has prayed for this committee during the year and for the financial support that our members and friends of The Church of God have provided through the help and mercies of the Lord. Rest assured, the Lord knows the sacrifices you have made, and His reward will far exceed anything that our money could ever acquire.

We offer the following business for this Assembly's consideration:

Section 1: Rent and Utilities Allowance

Rationale

Housing Allowance – A question was brought to the committee concerning an increase to the Housing Allowance limit. In the United States, the Internal Revenue Code allows ministers of the gospel to reduce their taxable ministerial income (for federal income tax purposes) by the amount of a designated Housing Allowance. Presently the General Assembly has set the limit of this allowance. As we discussed this matter, we feel that there is no requirement for the General Assembly to have a limit established. The use of this allowance, in the United States, is governed by the rules and regulations of the IRS. The actual amount that a minister can claim is governed by his/her individual circumstances and what he/she can actually substantiate. Due to the variations in the Cost of Living Index across the United States, the setting of a limit by the General Assembly can turn out to be a detriment in some locales. This allowance is only for tax purposes and does not impact the amount of monies the minister receives from the local congregation, state, region/nation.

Recommendation

The current verbiage in The Present Financial System, Other Funds, Rent and Utilities Allowance section states:

RENT AND UTILITIES ALLOWANCE: An amount of \$2,000 per month is allowed for rent and utilities expense deduction as "housing allowance" where applicable. This is for income tax purposes only and does not include any extra allotment in salary.

We recommend that section be changed to the following and supersede all previous references:

RENT AND UTILITIES ALLOWANCE: It is recommended that a Rent and Utilities Allowance amount be established in proper business fashion at each local, state, regional/national level to accommodate the needs of the minister in each of these areas, as applicable. The use of this allowance, in the United States, is governed by the rules and regulations of the IRS. The actual amount that a minister can claim is governed by his/her individual circumstances and what he/she can actually substantiate according to

the government's established rules and regulations. We encourage the minister to seek advice from cognizant income tax preparation personnel in order to determine the proper use of this allowance and to determine all the items that can be deducted on behalf of this allowance. This Rent and Utility Allowance is only for tax purposes and does not impact the amount of monies the minister receives from the local congregation, state, region/nation.

Section 2: Disbursement of Salaries or Funds

Rationale

A question concerning the timing of the disbursement of salaries to appointees was brought to our committee. This question impacts appropriate State/Regional/National and General Headquarters appointments.

Question: Does the outgoing appointee receive the funds collected during the last month of the appointment, or does the incoming appointee receive those funds?

All areas are not following the same rationale, and this causes a problem when an appointee is traveling from an area with one rationale in operation and moving to an area with the other rationale in operation. The worst case is that an appointee may have to survive for two months on one month's salary. Overall, the appointee is not missing any payments, it is just the timing of the payments that can present a hardship. It would seem reasonable that the funds received during the last month of an appointment would go to the outgoing appointee since he/she was still under appointment for that month in which the funds were received or designated (including a late report received within a reasonable amount of time). This same rationale would apply to the reimbursement of appropriate expenses incurred during that last month as well. With this in mind we present the following:

Recommendation

We recommend that a heading entitled Disbursement of Tithes be added to The Present Financial System, Tithing section:

Disbursement of Tithes: The tithe funds received or designated for the last month of an appointment goes to the outgoing minister. This is being done to bring uniformity to the payment schedule in all of our areas of labor. The minister, who has already received his last month's allotment at the first of the month, is not to receive an additional allotment payment for the end of the month.

The current verbiage in The Present Financial System, Sunday Offerings, Fourth Sunday Offerings section states:

FOURTH SUNDAY OFFERINGS: The fourth Sunday offerings are for the expense of the State/Regional/National Overseer. "The local church treasurer sends the full amount of the fourth Sunday offering to the State/Regional/National treasurer to be designated and used as overseer's expense (*80th AM*, 1985, p. 149, W&MC). If there is not sufficient fourth Sunday offering to cover his expense as overseer, the excess tithes in the State/Regional/National treasury may be used to supplement the fourth Sunday offerings. The expense of overseers of non-supporting states is left to the discretion of the Executive (Administrative) Committee" (*66th AM*, 1971, p. 162, W&MC). "DO NOT send any of the fourth Sunday offerings to the General Treasurer. Each local church should receive poundings for the overseer once or twice a year" (*27th AM*, 1932, p. 52, W&MC).

We recommend that section be changed to the following and supersede all previous references:

FOURTH SUNDAY OFFERINGS: The fourth Sunday offerings are for the expense of the State/Regional/National Overseer. "The local church treasurer sends the full amount of the fourth Sunday offering to the State/Regional/National treasurer to be designated and used as overseer's expense (**80th AM**, 1985, p. 149, W&MC). If there is not sufficient fourth Sunday offering to cover his expense as overseer, the excess tithes in the State/Regional/National treasury may be used to supplement the fourth Sunday offerings. The expense of overseers of non-supporting states is left to the discretion of the Executive (Administrative) Committee" (**66th AM**, 1971, p. 162, W&MC). The fourth Sunday offerings received or designated for the last month of an appointment are to be used to reimburse the outgoing overseer's expenses. "DO NOT send any of the fourth Sunday offerings to the General Treasurer. Each local church should receive poundings for the overseer once or twice a year" (**27th AM**, 1932, p. 52, W&MC).

Section 3: CPMA FUND

Rationale:

Notes found on page 16 of the **88th Assembly Minutes**, 199,3 state "...With the Ways and Means Committee's use of CPMA, the Committee felt that the CPMA, for now, could assist in the General Properties fund. In returning to the 1989 Assembly to continue as The Church of God, the CPMA is inherent to that continuation..." The term "for now" indicates something temporary. Presently the CPMA Membership monies and funds sent to General Headquarters as CPMA offerings, have been completely transferred over to the General Properties Fund to be used for the purpose of building and maintaining the General Headquarters property. It is now time to bring some of those funds back to the CPMA Auxiliary. We offer the following recommendation to provide funding for both the CPMA Auxiliary and the General Property:

Recommendation:

The current verbiage of Church of Prophecy Marker Association, located in the Present Financial System, under Auxiliary Offerings states:

CHURCH OF PROPHECY MARKER ASSOCIATION: The CPMA offerings will be divided two ways with 25% going to the State/Regional/National Headquarters and 75% going to General Headquarters monthly. Funds will be transferred into the General Property Fund. Ten dollars per year per member is requested to be paid as an individual gift into the General Property Fund (as previously funded by the CPMA and generally referred to as CPMA memberships). All (100%) of the CPMA membership funds received are transferred into the General Property Fund.

And the current verbiage of the General Property Fund section under Other Funds states:

GENERAL PROPERTY FUND: The General Property Fund is funded by special donations, CPMA memberships and CPMA offerings from the CPMA fund. The General Property Fund will be used for the purpose of building and maintaining the General Headquarters property.

We recommend the following changes to those sections respectively:

CHURCH OF PROPHECY MARKER ASSOCIATION: The CPMA offerings will be divided two ways with 25% going to the State/Regional/National Headquarters and 75% going to General Headquarters monthly. 95% of the funds received at General Headquarters are to be transferred into the General Property Fund and the remaining 5% is to remain in the CPMA Fund. To be a member of the Church of Prophecy Marker Association, ten dollars per year per member is requested to be paid as an individual gift. In other nations, to become a member one must pay an amount set by the Overseer and CPMA committee. 95% of the CPMA membership funds received are to be transferred into the General Property Fund and the remaining 5% is to remain in the CPMA Fund.

GENERAL PROPERTY FUND: The General Property Fund is funded by special donations, 95% of the CPMA memberships, and 95% of the CPMA offerings from the CPMA Fund. The General Property Fund will be used for the purpose of building and maintaining the General Headquarters property.

These changes will supersede all previous recommendations/resolutions relative to the disbursement of CPMA monies.

Section 4: Dual Source Allotments (Information Only)

A scenario was presented to the committee for consideration concerning whether an Overseer, who was also pastoring, and receiving a percentage of tithes from dual sources, had the ability to direct the use of tithe funds that were above the received percentages. For those that would find themselves in a situation of performing multiple appointments that have allotments associated with them, please remember that no one can receive more than the maximum allotment regardless of how many sources are available. If the minister elects to take a certain allotment percentage from one source and the remaining allotment percentage from another source, the total cannot be more than 100% of the maximum annual allotment established. Any remaining amount in either source is to be placed into the tithe fund until established allotment procedures are fulfilled. Any excess tithes at that point should be handled according to established General Assembly rulings or State/Region/Nation business practices. The minister cannot direct the use of any of these remaining funds above the stated percentage split of allotment. These funds should be treated like any other funds that would be considered above the allotment amount.

Humbly Submitted,

Ways and Means Committee

Allard L. Smith, Chairman

Brad Anders

Herman D. Ard

Jerry Cox

Jason Hill