



**IRS Will Not Assess Tax Penalties (For Now) Against Smaller Churches and Ministries for Certain Noncompliant Healthcare Reimbursements.** The IRS now says it will waive the \$100-a-day-per-employee excise tax for all of 2014 and the first six months of 2015 (IRS Notice 2015-17). This relief from Affordable Care Act penalties applies to churches with fewer than 50 full-time equivalent employees. The penalties will now begin on July 1, 2015. On June 14, 2014, ECFA president Dan Busby wrote the IRS and asked for penalty relief along the lines of what has now been granted. [Click here to read news release.](#)

ECFA has revised its free eBook to recognize the impact of the temporary reprieve on penalties. A number of FAQs have been added to the eBook to assist churches in understanding the complex issues related to the reimbursement of medical expenses. [Click here to download.](#)

**Free Self-Less Leader eBook.** What makes a truly good leader? There are certainly a number of qualities that every gifted leader must have, but one thing that is common to all great leaders throughout history is something desperately lacking in our culture today: selflessness. The seven contributors are Congresswoman Cathy McMorris Rodgers; Jo Anne Lyon, General Superintendent, The Wesleyan Church; Tim Hanifen, VP, Marine Corps Systems, The Boeing Company; Congressman Tim Walberg; R. Scott Rodin, President, Rodin Consulting Inc. and Kingdom Life Publishing Inc.; and Dan Busby, President, ECFA.

It is our collective experience that the greatest leaders we have known all have had this quality of selflessness, not as something they learned through study but as part of their character and worldview. Download this free eBook and share it with your friends and contacts: [“The Selfless Leader: Seven Influencers Share the Secret of Becoming More of a Leader by Becoming Less.”](#)

**ECFA Member?** If you are serving with one of the 1,923 ECFA member ministries, committed to observing high standards of excellence, THANK YOU! If not, learning whether your ministry may qualify for ECFA membership just takes 7 minutes. Call John at 1-800-323-9473. It may be one of the most important calls you make in 2015!

**Five Common Search Committee Mistakes.** In ministries across the country, search committees gather with high hopes and the intention to see a great leader chosen to lead their organization. But the following five mistakes may prevent them from achieving the best results, according to search experts,

Bruce Dingman and Richard Kidd: (1) Misunderstanding the person being hired, (2) misunderstanding the position to be filled and committee representation, (3) having a sufficiently large pool of candidates (4) agreement on the type of candidate desire, and (5) being candid with the candidate. For a discussion of these five common mistakes, [click here.](#)

**Overtime Calculations: Ignoring Payroll System Proves Costly.** Payroll systems aren't perfect. But when one employer ignored its payroll software that had correctly calculated overtime the Department of Labor (DOL) stepped in. The DOL determined that the employer owed back wages to 54 employees, some of whom regularly put in up to 60 hours per week. They had only been paid straight time for all hours worked. The organization had to pay \$115,252 to the employees plus a \$14,960 penalty. This case illustrates a common reason for overtime violations: employees misclassified as exempt. *www.KeepUpToDateOnPayroll.com, March 16, 2015.*

**The Kingdom Path.** How do we get off track? Many leaders today are encouraged to focus on things that matter to the culture rather than to Christ. In trying to “attract people” or “make the gospel relevant” we actually aim at the wrong set of targets. [Read Gary Hoag's blog on the CLA website.](#)

#### **IRS Releases New Publications of Interest to Ministries:**

- *Publication 526, Charitable Contributions.* This publication explains how to claim a deduction for a charitable contribution, the types of organizations that are eligible to receive deductible charitable contributions, and the types of charitable contributions that are eligible for the deduction.
- *Publication 4303, A Donor's Guide to Vehicle Donations.* This publication provides general guidelines for individuals on eligibility for claiming a tax deduction for donating a vehicle to a charitable organization.
- *Publication 4302, A Charity's Guide to Vehicle Donation.* This publication provides general guidelines for section 501 (c)(3) organizations on operating vehicle donation programs and describes how the programs effect tax-exempt status, taxable income, and deductible contributions.

**Senate Making Progress on Tax Reform.** The Senate Finance committee's working groups on tax reform are meeting regularly to consider potential changes in individual and corporate tax policy. They plan to deliver specific recommendations

to Finance Committee Chairman Orrin Hatch (R-UT) during the week of May 25. Provisions in the tax code related to tax-exempt organizations are within the purview of the Business Income Tax Working Group co-chaired by Senators John Thune (R-SD) and Ben Cardin (D-MD).

**Nonprofits Are Likely to Get Relief on Exemption Revocations.** A Senate bill would require IRS to give advance notice to groups that failed to file Form 990, 990-EZ, or 990-N for three consecutive years before revoking their tax exemptions. This would give organizations time to dispute a proposed revocation if IRS erred, or time to file the necessary returns to become compliant. The bipartisan proposal has a good chance of passing, either in a bill later this year or in future tax reform. *Kiplinger Tax Letter, February 27, 2015*

**Larger Employers Must Start Preparing to Report Worker Health Coverage.** In early 2016, employers that have 50 or more full-time-equivalent employees must report 2015 data for each full-timer to IRS and the worker on Form 1095-C. Employers will also file with IRS a Form 1094-C, which requires additional information. Monthly data for each workers must be tracked. If insurance wasn't provided, they must list safe harbor codes, such as the employee worked part-time. *Kiplinger Tax Letter, February 27, 2015*

**Online Volunteers: Don't Ever Call Them "Virtual."** Ministries are using more and more remote volunteers in leadership, graphic design, information technology and much more. Online volunteers can do many tasks for your ministry—just don't call them "virtual." It is better to call them "online volunteers," real people spending real time on real tasks. Calling them virtual diminishes their contributions.

A project-by-project approach makes it easier for online volunteers to connect and meet their deadlines. This makes it easier for volunteers to connect and meet their deadlines. [Click here to read full article.](#)

**Publicly Praying Alongside Non-Christians.** According to a January Evangelical Leaders Survey by the National Association of Evangelicals (NAE), over half of evangelical leaders (59%) said they would publicly pray at events involving those of different religions, and 41% said it would depend. No one answered no to this survey question, "Would you accept invitations to publicly pray at events involving clergy or leaders of non-Christian religions?" [Click here to read more information from the Evangelical Leaders Survey.](#)

**ECFA celebrates with The Bowery Mission.** They recently honored Ed Morgan, for his 20+ years of leadership. [Click here to view this video tribute to Ed Morgan.](#)

**Roll Call: Payday Loans Entrap the Most Vulnerable.** Perpetuating a cycle of debt, poverty, and misery, payday loans typically exceed 300 percent annual percentage rate. By requiring full repayment from the next paycheck, payday lenders virtually guarantee that the borrower will be forced to ask for a

new loan, with additional fees and interest, to pay back the old one. While state and local leaders have taken up the cause in certain jurisdictions, this is a national problem that requires Congress to act. Read the full article by Galen Carey, Vice President of Government Relations, National Association of Evangelicals, by [clicking here.](#)

**CEO Dialogues coming to your city in 2015.** Join other CEOs in a roundtable and off-the-record discussion in one of these five cities: Dallas (CLA Conference) on April 16; Colorado Springs on May 1; West Covina, CA on May 15; Chicago on September 11; and Philadelphia area on October 16. (These exclusive events are for ECFA-accredited ministries.) [Register today.](#)

**Revamped OT Regs Coming Soon.** Expect that more employees at your ministry will need to be paid overtime. It's been a year since the President called on the Department of Labor (DOL) to revamp the regulations. The agency is considering whether to raise the salary threshold, which is used to determine who's exempt from the overtime requirements of the Fair Labor Standards Act (FLSA). Right now, exempt employees must be paid at least \$455 per week on a salary basis. That's \$23,660 per year. Recently, 32 House Democrats sent a letter to the President and the DOL, stating the threshold should go up to \$1,327 per week of \$69,000 per year. *www.KeepUpToDateOnPayroll.com, March 16, 2015*

**BOT Traffic: Are Your Visitors Using You?** Many ministries rely on web data to inform and deliver their services, as well as to tell the story of organization impact. What if it turned out that the data is not accurate and many of the web "users" were actually bots—short for "robot"? Would the impact feel the same?

In 2014, bot traffic reached a new all-time high of 56% of all Internet traffic. Most of this traffic is filtered out by analytics platforms like Google Analytics, but there is still a certain percentage of bots that fool analytics. Bots are the programs, also called spiders or crawlers, that access websites and gather their content for search engine indexes. *The NonProfit Times, March 1, 2015*

**ECFA Is Looking for a Compliance Associate.** ECFA is adding a staff person to assist serving our growing number of accredited churches and nonprofits. An accounting degree from a 4-year college and 5-10 years of experience, plus CPA certificate, or pursuing CPA, experience in the ministry environment desirable. [Please click here for more information.](#)



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