

2021 District Superintendent Assignment (DSA) Recommendation Report Instructions

If you are using the 2021 Recommendation Report electronic form, please make sure the appropriate boxes at the top are checked correctly with one "X" so the formulas contained in the form will calculate properly.

IDENTIFICATION SECTION

DSA: Print name legibly and place an "x" in all boxes related to assignment status.

District: List the District in which the church/charge resides.

Church/Charge: Use complete church name including city. (First, Grace, Hope, etc. only narrows the possibilities).
For multi-point charges, please indicate which is church 1, church 2, and/or church 3.

NOTE: A separate compensation recommendation report must be completed for each church if they are separate circuits sharing a DSA.

Eligible for Conf. Health Ins: Place an "x" in the appropriate box.

Health Insurance Enrollment: Place an "x" in the appropriate boxes; Conference (Subscriber or Dependent), or Non-Conference.

[Example of a Conference Dependent: A person whose spouse is the primary subscriber on the policy.]

Housing: Place an "x" in the appropriate box.

DSA COMPENSATION (Use annual figures and round to nearest dollar in all sections)

Line 1: Enter the base cash salary.

Line 2: Enter "0" if the DSA is enrolled in the Conference Group Health Care Plan or if the church pays no health insurance premiums for the clergy. If the church remits premiums for alternate coverage to the insurer or reimburses the DSA to assist in the purchase of alternate health care coverage, the entire amount paid by the church must be entered on line 2. **[This is additional salary and the salary-paying unit cannot designate or require that the amount be used for health care premiums.]**

Line 3: Enter other taxable salary items paid to the DSA: i.e. Equitable Salary, Discretionary Allowances, Non-Accountable Reimbursement Plans, Housing Compensation.

Line 4: Add Lines 1-3 for Cash Compensation Subtotal.

Line 5: If the church pays the DSA's share of the Conference group health insurance premiums, enter that amount. If not, enter "0".

Line 6: Add lines 4 and 5 for Total Cash Compensation.

SALARY REDUCTION (Before Tax) ITEMS

Line 7: A DSA is not eligible to enroll in the Clergy Pension Plan.

Line 8: If the DSA is not enrolled in the conference health care plan, enter "0".
If the DSA is enrolled in the conference health care plan, enter the amount designated as the clergy's contribution for health insurance per the "Conference Health Insurance Premium Chart" **[Based on Line 4]**. Enter the contribution amount on line 8 **even if the church pays the DSA's portion**. (This amount is also listed on Line 5.)
IMPORTANT: The DSA contribution is an individual amount in addition to the single blended rate paid by each local church/agency.

Line 9: Enter the amount approved for a Medical Flexible Spending Account (FSA). **Per Affordable Care Act (ACA) regulations, a person must be eligible for group health insurance to be eligible for a Medical FSA.**

If a DSA is eligible for a Medical FSA, they may enroll in the Conference FSA Plan administered by HrPro during open enrollment in the new Conference Health Care Plan in the fall. There are no additional administrative charges

to the church or participant. The Conference Benefits Office strongly recommends utilizing this service to assure compliance with HIPAA, IRS and Affordable Care Act regulations.

Line 10: Enter other Pre-tax salary items and provide a description of the reduction. [Example: A Dependent Care FSA.]
HrPro will also administer a Dependent Care FSA along with a Medical FSA when enrolled at open enrollment.

Line 11: Add lines 7-10 for Total Salary Reduction Items.

SALARY REPORTABLE TO IRS

Line 12: Enter Total Cash Compensation from Line 6.

Line 13: A DSA is not eligible for the IRS clergy housing income exclusion.

Line 14: Enter Total Salary Reduction Items from Line 11.

Line 15: Subtract Lines 13 & 14 from Line 12. **This is the amount reported as taxable wages on the DSA's W-2 line 1.**
IMPORTANT: Per IRS regulations, a DSA must receive a W-2 and not a 1099.

CHURCH TREASURER'S CALCULATION FOR PAYROLL

Line 16: Enter Total Cash Compensation from Line 6.

Line 17: A DSA is not eligible for a Housing Allowance.

Line 18: Add Lines 16 & 17 for gross cash subtotal.

Line 19: Enter Total Salary Reduction Items amount from Line 11.

Line 20: A DSA is not eligible to enroll in the Clergy Pension Plan.

Line 21: Subtract Line 19 from Line 18.

Line 22: Divide Line 21 by the number of pay dates in the year for net wages per pay period. Withholdings for Federal Tax, State Tax, and the Employee share of FICA are subtracted from this number.

COMPENSATION BASE FOR RETIREMENT PLAN CONTRIBUTIONS & BENEFITS MINISTRY SHARES

IMPORTANT: Complete this section for all District Superintendent Assignments.

Line 23: Enter Total Cash Compensation from Line 6.

Line 24: If a parsonage is provided, multiply Line 23 by 25% and enter the amount. If not, enter "0".

Line 25: A DSA is not eligible for a Housing Allowance.

Line 26: Add Lines 23-25 to determine the compensation base for calculating Benefits Ministry Shares.

CHURCH MINISTRY EXPENSES RELATED TO DSA COMPENSATION/BENEFITS

Line 27: Enter 5% of Line 26 for Benefits Ministry Shares (BMS) billed directly to the local church.

Line 28: Enter the local church share (single blended rate) of the conference health care premium per the "Conference Health Insurance Premium Chart." If the local church pays directly or reimburses the DSA for alternate health care coverage, enter "0" and include that amount on Line 2.

Line 29: DSA's are not subject to the waiver contribution.

Line 30: Enter a *numeric value* for estimated parsonage utilities. Do not enter words such as "Full" or "All". If a parsonage is not provided, enter "0".

Line 31: A DSA is not eligible for a Housing Allowance.

Line 32: Enter the amount budgeted as a Professional Accountable Reimbursement Plan. A Professional Accountable Reimbursement Plan must be written, IRS compliant, and approved prior to implementation. A plan cannot be approved retroactive for expenses previously incurred.

NOTE: Non-Accountable Reimbursement Plans are not included on Line 32, but must be listed on Line 3.

Line 33: If not already included in the Professional Accountable Reimbursement Plan on Line 32, enter a *numeric value* for estimated travel expenses. Do not enter words such as "IRS rate" or "All".

Line 34: If not already included in the Professional Accountable Reimbursement Plan on Line 32, enter the budgeted amount for Continuing Education expenses.

Line 35: If not already included in the Professional Accountable Reimbursement Plan on Line 32, enter the budgeted amount for Annual Conference expenses.

Line 36: Enter 7.65% of Line 12 for employer portion of FICA.

Line 37: Add Lines 27-36 for Total DSA Benefits budgeted as church ministry expenses.