

# In-House Missionary Policy

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*Kossuth Street Baptist Church*

## Foundations

### 1. Why this document?

Beginning in 2009 with a Purdue campus missionary and increasingly in 2011 with the dissolution of Evangelical Baptist Missions (and its impact on two other Purdue campus missionaries), KSBC has provided administrative support to a small number of missionaries. Since that time, KSBC has operated in this area without a comprehensive policy to guide such operations.

### 2. Purpose of this document

This document explains how KSBC will carry out administrative support (and, to a lesser extent, ministry oversight) functions for missionary individuals or families. We intend for this document to reflect biblical principles and practices in every respect, and wise discernment where Scripture is silent or addresses matters only indirectly.

### 3. Scope of this document

Generally speaking, this document is intended, in present form and future revisions, to address every significant aspect of providing administrative support and ministry oversight to missionaries. It is not meant, however, to be exhaustive in every detail or to prohibit the Missions Team and church leadership from making wise adjustments, exceptions, and provisional decisions as God leads. That said, exceptions should be unusual and should serve as a reminder of the need for periodic revision of the policy. Specific elements within the scope of this document are indicated by the section headings.

### 4. How to revise this document

This document may be revised by the Missions Team according to established protocols that govern the Missions Team's operations. Any changes made by the Missions Team must be approved by the elders, who may, at their discretion, solicit input from the congregation.

## Policy

### Eligibility

#### 1. To be eligible to become a KSBC In-House missionary, the missionary must:

- a. Have their field of ministry in Lafayette area.
- b. Be approved by the elders and congregation as a KSBC-supported missionary.

- c. Be willing to function within the systems and structures of KSBC.
- d. Be a member of KSBC in good standing.
- e. Have a ministry focus that aligns well with KSBC's mission strategy.

#### Employment Status and Funding

- 2. They will be considered a dual-status employee of KSBC.<sup>1</sup>**
- 3. They will be support funded.**
  - a. All costs related to the missionary and their personal ministry expenses will be funded from the missionary's account. No funding from the KSBC General Fund except for approved monthly support.
  - b. The missionary will establish and maintain a sufficient support base including but not limited to KSBC and its membership.
  - c. Our goal is for in-house missionaries to raise at least 50% of their support from outside KSBC and KSBC individuals. In other words, in-house missionaries should be committed to raising outside support.
- 4. KSBC will establish a support schedule for each missionary unit** in order to plan for all anticipated types of expenses. See the sample schedule in Appendix I.
  - a. The support schedule will be established or modified by one elder plus one representative from the Missions Team and one representative from the finance team.
  - b. Budget lines shall be funded based on the amounts in the support schedule.
  - c. Support will include but not be limited to:
    - i. Salary and benefits
      1. Salary - includes housing allowance (if applicable), taxes (all of State, Federal, FICA)
      2. Mandatory costs as an employee of KSBC:
        - a. Health coverage costs
        - b. Health Savings Account (HSA) Funding
        - c. Reimbursements
        - d. Retirement
      3. Optional/Elective (to be deducted from salary):
        - a. Tax deduction from pay (otherwise missionary is personally responsible for quarterly payments)
        - b. Additional HSA funding
    - ii. Ministry expenses - Ex. mileage, education, conferences, fees

#### Financial Services & Accountability

- 5. KSBC will provide financial support services. KSBC will**
  - a. Accept and receipt funds for tax purposes (including electronic options).
  - b. Approve expenses for reimbursement, and provide reimbursement to the missionary.

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<sup>1</sup> This is a specific term for tax purposes. See [https://www.clergytaxnet.com/Clergy%20Tax%20Facts/dual\\_status.htm](https://www.clergytaxnet.com/Clergy%20Tax%20Facts/dual_status.htm).

- c. Keep records for tracking and reporting both expenses and donations.
- d. Provide a health coverage program.

**6. Policies guiding receipting of funds:**

- a. Funds received marked as a personal gift (Christmas, personal need...) will be passed on in addition to their regular salary (taxes will be taken out as directed).
- b. Gifts given for a specific purpose (e.g., Chinese Bible...) will be placed in the missionary's account and will be highlighted so that the wishes of the donor are satisfied (these will be treated as a ministry expense).

**7. Policies guiding expense reimbursement:**

- a. Approval of ministry expenses for reimbursement will be made by a designee of the Finance Team.
- b. Approval of ministry expenses for reimbursement will be based on the following criteria:
  - i. The expense is a valid ministry expense or support raising/maintenance expense. Such expenses typically include:
    - 1. Food/beverages for contact meetings
    - 2. Travel expenses including accommodations, food, transit (airfare, car rental, mileage, etc.), parking
    - 3. Mileage reimbursement for ministry related use of personal vehicle
    - 4. Evangelism and discipleship resources (e.g., books, DVDs, etc.)
    - 5. Office supplies
    - 6. Mailing and postage
    - 7. Event supplies (food, decorations, etc.)
    - 8. Technology for ministry use
      - a. Typically this would include items such as computers, digital projectors, etc.
      - b. This can also include communication expenses such as cell phone costs, internet services, etc.
    - 9. Professional services that support ministry (e.g., computer repair)
    - 10. Training and development
    - 11. Gifts as culturally appropriate, with value less than \$100
  - ii. The expense is documented, for example, by a receipt or credit card statement.
  - iii. The reimbursement request is submitted within 60 days of when the expense was incurred.
  - iv. Expenses that are partly personal in nature and partly ministerial in nature can approved on a prorated basis, with appropriate documentation.
  - v. Expense reimbursement shall not:
    - 1. Endanger timely, full payment of salary and mandatory benefits.
    - 2. Exceed the available balance for ministry expenses by more than two times the monthly allotment.

**8. Support levels and support raising**

- a. A support schedule shall be established for each missionary unit in order to plan for all anticipated types of expenses. Budget lines shall be funded based on the amounts in the support schedule. See the sample schedule in Appendix I.
- b. At the time of initial appointment, the missionary must, before being released to full time status:
  - i. Be 100% supported (combination of pledges and actual funds received).
  - ii. Have sufficient funds for two months' salary and mandatory benefits in his/her account.
- c. Account balances
  - i. Sufficient funds for one month's salary and mandatory benefits must be held in reserve at all times.
  - ii. A negative overall account balance (i.e. for an individual missionary or missionary family) is not permitted.
- d. The financial secretary will notify the elders to consider shifting the missionary's responsibilities from full time ministry toward raising support if:
  - i. Pledged support drops below 85% (assessed once per year via a report to KSBC from the missionary).
  - ii. Actual support received drops below 75% for two consecutive months.
  - iii. Salary and benefits reserve (see Account Balances above) is less than 100% funded for two consecutive months.

#### Communication to Supporters

- 9. Missionary is encouraged to maintain regular contact with their supporters** (ex. - acknowledgement of receipt of individual gifts, newsletters, updates of needs).
- 10. KSBC will:**
  - a. Send at year end, a Giving Statement for tax purposes to donors.
  - b. Provide monthly reports to missionaries of gifts received (names and amounts) and personal account balances.

#### Accountability & Ministry Oversight

- 11. They will be accountable to the Missions Team plus an assigned elder for:**
  - a. Carrying out ministry faithfully and conscientiously (2 Ti 4:5).
  - b. Striving to maintain good spiritual, physical, and psychological health, as well as life balance (1 Ti 4:16; 5:23).
- 12. The Missions Team and assigned elder are also a resource for counsel and prayer** about current and future ministry decisions, ministry team relationships, and other matters.

#### Special Considerations and Exceptions

- 13. A missionary who is an elder or a member of the Missions Team:**

- a. Will recuse him/herself from discussion and voting on matters concerning him/herself as a KSBC in-house missionary, by the elders (if he is an elder) or the Missions Team (if he/she serves on the Missions Team).
  - b. May not in any other way authorize or approve—in his/her role as an elder or Missions Team member—his/her own activities as an in-house missionary.
  - c. May fully participate in discussion, voting, etc. concerning in-house missionaries other than him/herself.
  - d. The above points also apply to spouses, parents, and children of in-house missionaries in relationship to decisions about their in-house missionary family member.
- 14.** Should an exception to any of the above policies be desired, it shall be referred to the elders, who shall decide in consultation with the finance team and Missions Team, as appropriate.
- 15.** A member of the Missions Team will be designated with responsibility for ensuring that this document's policies and procedures are maintained and followed. This person shall report any concerns to the Missions Team and/or the Elders, as appropriate.

## Appendix – Sample Support Schedule

### Estimated Monthly Support Goals

**ESTIMATED MONTHLY SUPPORT GOAL** **7,272.08**

**BREAKDOWN OF THE THREE CATEGORIES OF SUPPORT**

<b>1. Salary / Housing Support</b>		
Gross Annual Income Goal	63,505.00	
Gross Monthly Income Goal	5,292.08	<i>Gross income includes: salary, housing, taxes, elected deductions</i>
<b>SUB-TOTAL</b>	<b>5,292.08</b>	

<b>2. Benefits Support</b>		
Health Insurance	1,100.00	<i>Premium</i>
Mandatory HSA contribution	400.00	<i>"Employer" Contribution</i>
<b>SUB-TOTAL</b>	<b>1,500.00</b>	

<b>3. Ministry Support</b>		
Ministry/Travel expenses	420.00	
Support communications	60.00	
<b>SUB- TOTAL</b>	<b>480.00</b>	

**SALARY PORTION DESCRIPTION**

		<b>Notes</b>
<u>Proposed Gross Income Goal</u>	<u>63,505.00</u>	
[Housing allowance portion	26,000.00]	<i>Personally set</i>
		<i>No taxes automatically withheld by KSBC due to Dual Status for tax purposes</i>
<b>TAXES</b>		
Federal Taxes withheld	5,200.00	<i>Personally set</i>
State Taxes withheld	1,300.00	<i>Personally set</i>
HSA Withheld	4,550.00	<i>Personally set</i>
403-B withheld (retirement)	2600.00	<i>Personally set</i>
Total Withholding	13,650.00	
<b>Net Annual Income</b>	<b>49,855.00</b>	
<b>Net Monthly Income</b>	<b>4,154.58</b>	<i>Paychecks are cut bi-weekly, not monthly</i>