

Developing Church in the Chesapeake District

| | Responsibility | Church Cost | Comments |
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| Church Plant Application | Church | No | Make sure you have already completed the Church Plant application. Click here to complete: Church Plant Application . |
| Developing Church Approval | DBA | No | The District Board of Administration (DBA) must approve the addition of a new church in the Chesapeake District. Your ACE group leader will be your representative with district leadership and DBA. This formal approval must happen before moving forward and doing business as a developing church. The developing church must have a parent church, an established church in the district. The LBA of the established church will be the governing board of the developing church. The developing church will report to the LBA of the established church. |
| EIN (Employer Identification Number) | Church | No | Call the IRS at 800-829-4933 or apply online at IRS SS4.gov . IRS will send a confirmation letter, referencing the SS-4 application, with your new EIN. Retain this letter with your church records and send a copy to the district office. |
| 501c3 Certification | District/HQ | No | Once DBA approval, the district office will create a new church record in The Wesleyan Church's online directory (TWCHub) with the church's EIN. Headquarters (HQ) is notified of the new church and a 501c3 certification, proof of federal tax exemption status, is created by HQ and sent electronically to the pastor of the church and copied to the district office. A hard copy is sent to the church as well. |
| USF/EIF (5-year phase-in to 100%) | Church | Yes | This is determined annually by a percentage of the church's previous fiscal year income. Per Discipline (2005:2d), the USF obligation for a new church is phased in as follows: For the first year of operation, there will be no obligation; for the second year, the assessment will be set at 25% of the regular assessment; for the third year at 50%; for the fourth year at 75%; and for the fifth year at 100%. |
| Church Insurance Policy | Church | Yes | This includes general liability coverage, ministry coverage, and property and content coverage. The Chesapeake District should be listed as additional insured on the church's policy with a 10-day cancelation clause. Please send a copy of the Certificate of Insurance to the district. Suggestions of insurance carriers: Brotherhood Mutual, Church Mutual. |
| Workers' Compensation | Church/District | Yes | Churches are required by law to have Workers' Compensation coverage for all employees, including pastoral staff. The district offers coverage through Brotherhood Mutual. The church will be billed for their portion unless they opt to find their own coverage, in which case proof of coverage must be provided to the district office. |

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| Background Checks | Church | Yes | The district has an account with Protect My Ministry (PMM), which allows churches to perform background checks for volunteer positions. The district bills the church based on usage. Note: PMM is not recommended for paid staff or pastors. Suggestion: hireright.com . |
| Bank Accounts | Church | No | Documentation of the church's EIN is needed. The church will need to ask the bank if other documentation is required, such as a letter, resolution, or 501c3 certification. If other documentation is needed, then it will have to wait until after DBA approval. Note: You do NOT need to be incorporated; therefore, you have no articles of incorporation. You are a church. The bank cannot require you to become incorporated in order to open an account. |
| Tithe & Accounting Database(s) | Church | Yes | Tip: Choose databases that have online giving. Recommended tithe databases: Planning Center, Church Teams. Recommended accounting database: QuickBooks. |
| Payroll Related Accounts | Church | Yes | This includes federal and state tax accounts, WIF pension enrollment, and benefits. |
| State Sales Tax Exempt Status | Church | No | The church is responsible for applying for state sales tax exemption. Depending on the state, info can be obtained from maryland.gov , or virginia.gov , or delaware.gov . |
| Worship Experience Software Resources, Setup, and IT Support | Church | Yes | This includes licensing, software, hardware, creative, printing/copier needs, IT support, etc. The district does not have these resources. |
| Legal Counsel | Church | Yes | In the event that legal matters arise and counsel is needed, the church is responsible to obtain and pay for legal counsel. The district can recommend attorneys. |
| Local Church Statistical Report (LCSR) | Church | No | Every year, the church will be responsible for completing its LCSR. You will receive notification via email in April about this report and how to complete it. Reporting opens May 1 and closes May 31. |
| Compliance Form | Church | No | Every year, the church must complete a compliance form. This tells the district that the local church is up to date on background checks on all volunteers working with children and youth, all church properties are insured for liability and replacement cost value of buildings, and a financial audit has been completed for the previous fiscal year. This form is due by August 31. |
| Additional Notes | | | |
| Your district representative and point of contact is your ACE Group Leader. | | | |
| Any property that is acquired by the church must also be in the name of the Chesapeake District. Deeds must include the Trust Clause that is in the Discipline. All deeds must be reviewed by DBA prior to filing. We will send you a template for the deed. | | | |
| The church will be responsible to obtain and maintain tax exempt status on all properties owned. | | | |