Payroll

1. Have you verified whether or not your minister(s) have dual tax status, needing to file as employees for federal income taxes and as self-employed for Social Security tax purposes?
   - Yes:  
   - Needs Attention: ❑

2. Do you manage voluntary withholdings from your staff’s Social Security taxes and, as such, complete the necessary quarterly and annual payroll tax filings?
   - Yes:  
   - Needs Attention: ❑

3. If any ministers on your staff are receiving a housing allowance, have you entered the exact amount of the allowance into their employment contract or in the church’s board meeting minutes? (It’s necessary to do so to comply with tax codes.)
   - Yes:  
   - Needs Attention: ❑

4. If any ministers on your staff are receiving a housing allowance, do you make certain to designate this at the start of each year?
   - Yes:  
   - Needs Attention: ❑

5. Do you include “special occasion gifts” in employees’ taxable income when applicable?
   - Yes:  
   - Needs Attention: ❑

6. Do you follow a written policy for reimbursing workers/volunteers for business-related expenses?
   - Yes:  
   - Needs Attention: ❑

7. Is the staff of your ministry educated on how to follow the ministry’s reimbursement arrangement?
   - Yes:  
   - Needs Attention: ❑

8. Do you have a timekeeping plan in place for your staff—including determining the point of contact for timecard approval and establishing a time card due date for each pay period?
   - Yes:  
   - Needs Attention: ❑

9. Are you aware of how the Fair Labor Standard Act (FLSA) applies to your ministry and its employees individually?
   - Yes:  
   - Needs Attention: ❑

10. Does your ministry retain payroll records for at least four years?
    - Yes:  
    - Needs Attention: ❑

Notes: 

Completed by: ___________________________ Date: ___________________________