

TOMORROW

Dear Friends,

As we enter the Fall season, I realize that many of our members and employers continue to face challenges presented by the ongoing COVID-19 pandemic. It has been a long and difficult struggle for many to remain focused on ministry while worried about finances. In this issue we provide wise guidance to help you stay the course.

First, we bring you the second article by our guest writer, Rev. Dr. Debora Jackson, *The Challenge of Ministry Given Pay Inequity*. In it she discusses the challenges clergywomen face when answering the call to serve God.

Next, *Demystifying the CARES Act* explains the legislation enacted to assist Americans who are economically impacted by the COVID-19 pandemic. The article contains a summary of the CARES Act provisions that most affect MMBB members and employers as well as MMBB's emergency assistance programs.

In *Budgeting When Your Income Has Decreased*, we present useful tips on managing your finances in the face of a job loss or furlough. In it, you'll find ways to make your money go farther and tips on how to create a budget.

Why Choose MMBB Target Date Funds is a reminder about the addition of Vanguard Target Date Funds (TDFs) to our fund offerings earlier this year. The article provides an overview of MMBB TDFs and how they may benefit you.

Finally, *A New Plan Feature Coming Soon, the Roth 403(b)*, introduces an additional investment option for retirement savings. MMBB is planning to add a Roth 403(b) component to its Member Contribution Plan in 2021.

We thank you for placing your trust in MMBB and look forward to guiding you through these challenging times. In the days and weeks ahead, we pray for God's strength and guidance for you and your families and those you serve.

Grace and Peace,



Louis P. Barbarin, CPA
 Chief Executive Officer

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The Challenge of Ministry Given Pay Inequity

By Rev. Dr. Debora Jackson

When I was called to serve as Senior Pastor of the First Baptist Church in Needham, MA, the Rev. John “Jack” Fassett, retired missionary, pastor, and member of the church asked me the question that was asked of him when he was ordained in 1940. “Couldn’t you do anything else?” Knowing the rigors of ministry, his ordination council challenged the depth of his conviction to ensure that he was truly prepared. The question still has merit.



Ministry is one of the most demanding vocations as measured by work complexity. The breadth of tasks performed by pastors coupled with the prevalent rapid switching between tasks and roles in the position is unique.¹ These demands make ministry stressful, and even more so considering the modest salaries commanded. However, discrimination and income inequality increase the challenges for clergywomen.

First, we know that ascension to the pastorate remains elusive for clergywomen. In 2017, the combined average percentage of female pastors in mainline churches was twenty-seven percent.² While significant, the number is misleading. Fifty-seven percent of Unitarian Universalist pastors and thirty-eight percent of United Church of Christ pastors are women. But only 4.9 percent of Assembly of God pastors and 9.4 percent of American Baptist pastors are women.³ Although some faith traditions are moving toward gender parity, others have a long way to go.

Secondly, where women are ascending to the pastoral office, opportunities for placement and compensation are not equitable. The job search is far more protracted for women as compared to men. A 2003 Episcopal Church survey confirmed that male priests are nine times more likely to be hired as rectors than female priests.⁴ Then, when women are called, they are more often called as associates. An Associate Pastor in the United Methodist Church is paid on average 29.6 percent less than a Senior Pastor.⁵

¹ Debora Jackson, *Spiritual Practices of Effective Leadership: 7Rs of Sanctuary for Pastors*, (Valley Forge, PA: Judson Press, 2015), 88.

² Eileen Campbell-Reed, “State of Clergywomen in the U.S. A Statistical Update,” October 2018, 6.

³ Ibid.

⁴ Sarah Sentilles, *A Church of Her Own: What Happens when a Woman takes the Pulpit*, (Orlando, FL: Harcourt Inc., 2008), 70.

⁵ Eric B. Johnson, “Salaries for United Methodist Clergy in the U.S. Context – Quantitative Analysis,” Division of Ordained Ministry, General Board of Higher Education and Ministry, The United Methodist Church, 2010, 18, https://www.bu.edu/shaw/files/2011/02/GBHEM_SalaryStudy.pdf, Accessed 7/6/2020.

But female pastors are also paid less than men. In an United Methodist Church study, full-time white clergymen earned an average of \$58,500.00 in 2008; however, white clergywomen earned \$50,300.00, black clergymen earned \$51,800.00, black clergywomen earned \$49,700.00, and Hispanic men and women earned \$48,600.00 and \$46,700.00 respectively.⁶ The study attributes the disparity to differences in seniority, but increased opportunities afforded to men ensure that men will continue to have greater seniority.

Most discouraging, however, is the impact that befalls clergywomen because of occupational feminization, a phenomenon which often results when women enter professions that were traditionally male dominated. We have seen this in the church as pastorates become part-time and congregations diminish and age. Deteriorating levels of pay and working conditions often motivate men to seek higher paying pastoral opportunities, leaving women to fill the vacancies.⁷ Moreover, as the gender composition of an occupation becomes increasingly female, the valuation of the work being performed decreases because gendered cultural beliefs portray men as more competent and status worthy than women.⁸ This effect suppresses the entire profession, as has been demonstrated in feminized secular occupations such as teaching, librarianship, nursing, and public relations.⁹

So, while pastoral ministry continues to be one of the most challenging professions, for clergywomen, the challenges are made more difficult because they are often relegated to low-status positions with deteriorating levels of pay. As churches are more constrained, the stress of trying to do more with less only increases. Yet, I remain hopeful.

First, the conditions of church decline and diminished status are creating opportunities for women to ascend and shine. Clergywomen are making a difference in their local communities, which opens doors for new opportunities. Additionally, as women ascend to senior leadership positions or prestigious pulpits, they are creating paths for others. These trailblazers are inspiring the generations of clergywomen who follow.

Second, I remain hopeful because clergywomen are demonstrating negotiation savvy as they navigate opportunities. Traditionally, women have not negotiated for their compensation packages.

Increasingly, however, women are understanding their worth by researching opportunities. They are leveraging strategies like negotiating for maximized retirement benefits, semi-annual salary reviews and non-cash benefits such as additional vacation time or study leave. Women have learned that these strategies are particularly helpful when cash packages are constrained due to the financial challenges of the church.

Thirdly, as I noted in my book *Meant for Good: Lessons in Womanist Leadership*, clergywomen are demonstrating innovation by discovering new paths to leadership. For example, I received a local church ordination by a duly aligned NBCUSA and ABCUSA church, prior to my installation as Senior Pastor of an ABCUSA church. Once I graduated with my MDiv, my ordination was recognized by ABCUSA where I experienced increased opportunities to exercise my gifts for pastoral ministry. Likewise, clergywomen have entered the academy, specialized ministries, and non-profit management as additional or alternative ways to serve. Increasing numbers of women have also established their own churches. And as a pandemic has forced us to reconsider methods of ministry, clergywomen have been at the forefront, using technology to reach extended numbers of individuals.

"Couldn't you do anything else?" No! Like our brothers, we are compelled to share the Word of God because we are called to ministry. The work continues to be challenging and those challenges are made more difficult because of discrimination and inequity. Yet, God continues to make ways for God's daughters to lead, equipping the called with mentors, role models, and resources to make ministry possible. Therefore, I have hope.

The Rev. Dr. Debora Jackson is the Director of Operations for All Girls Allowed, a faith-based, non-profit that restores life, value, and dignity by empowering and educating women and girls and engaging outreach partners for global impact. She was previously the Director of Lifelong Learning at Yale Divinity School. Her newly released book "Meant for Good: Fundamentals in Womanist Leadership," is available through Judson Press.



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⁶ Ibid, 10.

⁷ Asaf Levanon, Paula England, Paul Allison, "Occupational Feminization and Pay: Accessing Causal Dynamics Using 1950-2000 U.S. Census Data," *Social Forces*, Vol. 88, Issue 2, December 2009, 867.

⁸ Ibid., 868.

⁹ Paula D. Nesbitt, *Feminization of the Clergy in America: Occupational and Organizational Perspectives* (New York: Oxford University Press, 1997), 130, <http://www.questiaschool.com/read/62416359/feminization-of-the-clergy-in-america-occupational>.

Budgeting When Your Income Has Decreased

Creating a budget and adhering to it is hard enough when you have the money to cover your expenses. Add a global pandemic, including the loss or reduction of income and budgeting becomes even more difficult. When you factor in the stress of remote work struggles, home schooling and childcare, close quarters, and isolation, money management and financial wellness can seem like a low priority.

It is normal to be worried about your finances during these uncertain times. One of the top questions for many is, "How long can I make the money that I have coming in last especially if it is less than my typical income?" You may be thinking: Will I be able to pay my rent or mortgage? What happens if I can't pay my utilities? Will I have enough money for groceries? We understand that you may have to make difficult decisions about where to cut expenses to make ends meet. Financial flexibility is important and is the key

to making adjustments in your lifestyle. Learning to carefully manage your savings, and unemployment or government stimulus payments, if you were fortunate enough to receive them can be challenging. Try not to rely on credit cards or lines of credit. If you have debt, work to reduce it if you can and avoid accumulating additional debt. Contact your creditors to determine if they are willing to renegotiate interest rates on your existing credit cards.



The budgeting principles below are important to keep in mind even when you are not experiencing decreased income. But they are especially critical in uncertain times when it can be tempting not to budget at all. When creating a budget, it's important to:

- Understand your spending habits
- Separate needs from wants
- Take advantage of free or low-cost activities
- Involve family in the budgeting process

An integral part of budgeting and financial wellness is to establish future goals for saving and investing. Once you've covered your basic expenses, put a little money aside each paycheck in an emergency fund. Start small, saving \$20 a week doesn't seem like much, but it adds up to \$1,000 in a year. This will provide a cushion when unexpected expenses such as car or home repairs or medical co-payments inevitably arise.

Earn less – spend less. Most of us are already familiar with this basic financial principle, but when funds are low (or money is tight), it bears repeating. Keep your focus on daily or monthly essentials such as mortgage or rent, groceries, utilities and other household bills.

Limit spending to the bare minimum – deal only with necessities until you are earning more or are back to work. Some of the ways to cut costs are:

- Reduce cable and internet services
- Cancel or suspend gym memberships you aren't using
- Evaluate your cell phone plan and eliminate unnecessary services
- If you still have a land line, do you need it or use it? If not, disconnecting it may save you money each month.
- If you own 2 cars and are only using one because of working remotely, you may be eligible for a premium reduction on your car insurance.

If you have never made a budget, now is the perfect time to do it. Although you likely have fewer funds to work with in a downturn, a budget will provide you with a helpful structure going forward. For assistance with budgeting, managing expenses or other financial concerns, contact one of our CERTIFIED FINANCIAL PLANNER™ professionals at service@mmbb.org or **800.986.6222**.



Demystifying the CARES Act

The Coronavirus Aid, Relief, Economic Stimulus (CARES) Act is a sweeping piece of legislation passed on March 27, 2020 in response to the COVID-19 pandemic's economic fallout. Up to 6.5 million Americans have contracted the coronavirus,¹ others have been furloughed, churches and businesses have been shuttered temporarily due to lockdowns, and some establishments have faced permanent shut down.

The CARES Act has offered a financial lifeline for eligible individuals, churches, and businesses. To serve our members during these uncertain times, MMBB created a list of frequently asked questions about the CARES Act and MMBB's own assistance programs to offer a clear explanation of the aid most relevant to members and employers. The FAQs are available on www.mmbb.org. Read on for a summary of the CARES Act provisions that most affect MMBB members and employers and MMBB's non-contractual benefits. First, let's look at the programs for members.

Aid for Members

- **Unemployment.** The CARES Act temporarily expanded benefits to include the self-employed, independent contractors, people with limited work history and others not usually eligible for unemployment. The federal government has provided 13 weeks of unemployment pay beyond the standard 26 weeks, if state benefits were no longer available. The amount of the federal benefit was the same as the amount that states provide. These benefits ended on July 31, 2020. Extension of jobless benefits is still under legislative consideration.
- **Student Loans.** Borrowers can defer payments on federal student loan principal and interest without penalty through December 31, 2020. However, borrowers have the option to continue payments if they wish. Employers can contribute up to \$5,250 towards an employee's student loans from March 27, 2020 through December 31, 2020. The employer can make this payment to the employee or directly to the lender. As an added benefit, the payment does not count as taxable income for the employee.

- **Required Minimum Distributions (RMDs).** The CARES Act waived RMDs for everyone in 2020, so no one needs to take an RMD this year unless they wish to do so. You should contact MMBB for more information by December 11, 2020 if you still want to receive your RMD this year (1-800-986-6222).

- **Distributions.** Under the CARES Act, the federal government has created a special Coronavirus Related Distributions' (CRDs) category for certain qualified retirement plans, including 401(a), 401(k) and 403(b) plans. Eligible people can take up to \$100,000 in distributions from their qualified retirement plans. See the CARES Act FAQs on www.mmbb.org for eligibility criteria. If you are under 59 ½, you are not subject to the 10 percent early withdrawal penalty.

You can pay back the funds to a qualified retirement plan over three years, beginning the day after the date when you receive a CRD. The repaid funds will not be considered taxable income. You will still owe income taxes on amounts you withdraw that you don't repay. Therefore, a CRD should be considered as a last option.

CRD Withdrawals from the MMBB Member

Contribution Plan. CRD withdrawals can be taken from elective deferrals in the MMBB Member Contribution Plan. Please contact the Service Center at 1-800-986-6222 or service@mmbb.org for more information.

- **Loans.** The amount that someone eligible for a CRD can borrow from a 401(a), 401(k), 403(b) and government plan has doubled from the lesser of \$50,000 or 50 percent of the borrower's vested

¹ "Coronavirus in the U.S: Latest Map and Case Count." The New York Times, September 16, 2020

account balance to the lesser of \$100,000 or 100 percent of their vested account balance. You won't owe income tax on the amount borrowed from your retirement account if it's paid back within five years. To qualify, you must take the loan within 180 days after the enactment of the CARES Act. *Though members who take an MMBB loan will be eligible for the income tax benefit of this CARES Act provision, MMBB will not be offering the increased plan loan limits.*

- **MMBB Loans.** Qualified individuals with an outstanding loan from their plan taken before March 27, 2020 with a repayment due from March 27 to December 31, 2020 can delay loan repayment. However, interest will continue to accrue on these postponed payments. The delayed repayments of loans will restart on January 1, 2021.

Aid for Employers

The CARES Act provides many forms of relief that churches and church-related organizations may be able to use. These include the Emergency Economic Injury Disaster Loan (EIDL), a limited payroll tax credit, and the delay of payroll tax payment for a limited time.

- **EIDLs** are low-interest, fixed-rate loans that can provide assistance to small businesses to cover costs during an emergency. The CARES Act relaxed certain requirements, particularly when a business exhausts other funding options before obtaining an EIDL. In addition, the EIDL provides an immediate \$10,000 advance grant to borrowers while they await the processing of the application. The applicant does not have to repay this advance if their loan is denied. EIDL loans can go up to \$2 million for up to 30 years determined on a case-by-case basis, however, EIDL loans are not forgivable.
- **The Payroll Tax Credit** is a refundable tax credit for 50 percent of wages, up to \$10,000 in qualified wages (including health plan expenses), paid after March 12, 2020 and before January 1, 2021 by employers who:
 - fully or partially suspended operations due to a COVID-19 related shutdown order,
 - or whose gross receipts declined by more than 50 percent compared to the same quarter last year.

The refundable credit is capped at \$5,000 per employee and applies against certain employment taxes on wages paid to all employees. Eligible employers can reduce federal employment tax deposits in anticipation of the credit. They can also request an advance of the employee retention credit for any amounts not covered by the reductions in deposits.

- **Payroll tax deferral.** Employers may defer payment of the employer share of the Social Security tax due from March 27, 2020 through December 31, 2020. The employer will have to pay the deferred taxes between January 2021 and December 31, 2022.



See the CARES Act FAQs on the MMBB web site for other CARES Act loans or credits that may affect EIDL and the payroll tax credit or deferral.

MMBB's Non-contractual Benefits Program

MMBB helps its members and employers through our non-contractual benefits program. Read information about MMBB's assistance programs below.

- On a case-by-case basis, MMBB offers limited tax-free emergency financial assistance to ordained members and active lay members based on need. Because of the extraordinary circumstances surrounding the COVID-19 pandemic, the support available is limited to one \$3,500 grant per member to ensure sufficient funds are available for a variety of needs.
- MMBB will place qualifying ordained pastoral leaders on a \$10 a month continuance, paying these premiums on behalf of the employer for up to two years. This will allow pastoral leaders to maintain important group term life insurance and disability benefit protections through the Comprehensive Plan. While the pastor is enrolled in this continuance program, any life insurance or disability benefits will be based on the average lifetime compensation used to pay Comprehensive Plan premiums.

Please contact MMBB at **800.986.6222** or **service@mmbb.org** for information about either of these programs.

Why Choose MMBB Target Date Funds



Earlier this year, MMBB added Vanguard Target Date Funds (TDFs) to our fund offerings.

What's in an MMBB TDF?

- A complete and well-diversified portfolio all in one fund. Each fund is a combination of up to five Vanguard Index Funds comprised of stocks and bonds.

The Fundamentals

- The TDF offering includes 11 separate Vanguard Target Retirement Funds for a specific retirement time frame. All you need to do is choose the fund that most closely corresponds to the year in which you plan to retire.
- The asset mix gradually and automatically becomes more conservative, reducing the proportion invested in stocks and increasing the proportion in bonds as you approach and enter retirement.

How Our TDFs Benefit You

MMBB Vanguard Target Retirement Funds:

- Provide a simple way to invest for retirement.
- Are low-cost mutual funds.
- Increase your MMBB fund options.
- Rely on Vanguard's expert investment strategies and extensive research.

Do You Want to Learn More?

Visit www.mmbb.org/tdf. Or contact an MMBB CERTIFIED FINANCIAL PLANNER™ at **800.986.6222** or **service@mmbb.org**.

This promotion is not intended to be investment advice. The promotional content is for informational purposes only. You should not construe the promotional content as legal, tax, investment, financial or other advice.

A New Plan Feature Coming Next Year – The Roth 403(b)

In our efforts to provide members with additional options for retirement savings, MMBB is planning to add a Roth 403(b) component to its Member Contribution Plan in 2021.

What is a Roth 403(b)?

A Roth 403(b) plan allows contributions to be made on an after-tax basis, your money grows tax-free and then qualified distributions are received tax-free. With a traditional 403(b), you make contributions on a pre-tax basis, your money grows tax-deferred, and distributions are treated as taxable income.

What are the advantages?

- Unlike Roth IRAs, Roth 403(b) plans are not subject to income limits, so you're still eligible to contribute no matter how much you earn.
- You can make tax-free withdrawals of your contributions and any earnings as long as you are at least 59½ years old and made your first Roth contribution at least five years earlier.
- Avoid taking required minimum distributions (RMDs) after your reach age 72 by rolling over Roth 403(b) funds to a Roth IRA.

Who could benefit from this type of plan?

- Those who contribute the maximum to their 403(b). Switching to a Roth plan may increase your tax-advantaged savings. Please consult with your tax advisor.
- Those who pay taxes at a low rate today. Making Roth 403(b) contributions will cost you a little today and potentially save you taxes in retirement.
- Those who have already accumulated significant tax deferred savings. Contributing to a Roth plan may give greater tax flexibility in retirement.

As a benefit of membership, MMBB CERTIFIED FINANCIAL PLANNER™ professionals are available to answer your questions. If you would like to learn more about the Roth 403(b) component, please contact us at **800.986.6222** or **service@mmbb.org**.



Electronic Tools for Managing Your Finances



As we adjust to the new normal amid the COVID-19 pandemic, many of us are seeking easy and efficient ways to practice contact free banking. Listed below are several options offered by financial institutions to help you limit or reduce your trips to your local branch.

- **Mobile Wallet** – provides a convenient way to make payments to your favorite retailer - fast, safe and contact free. Enroll your debit or credit card in a Mobile Wallet app such as the Apple Pay®, Google Pay™ or Samsung Pay™. Mobile wallets to allow contactless payments from your smartphone.
- **Video Teller Machine (VTM)** – visit a VTM to talk with a teller via video streaming (where available). Not only can they conduct everyday teller transactions, but they have the ability to accept loan payments, deposit and withdraw funds without a deposit slip, offers receipts with check images and may provide bi-lingual services where available.
- **Online and Mobile Banking** – keep track of finances from your personal computer or mobile device. Online banking requires an internet browser and can be accessed from any web enabled device such as a smart phone, tablet or computer while mobile banking can be accessed through an app on your mobile device. Pay your bills, check your

balance, set up account alerts, deposit checks from your phone and enroll in e-Statements.

- **Personal Financial Management (PFM)** -is software that helps users manage their money such as Mint or You Need a Budget (YNAB). PFM often lets users categorize transactions and add accounts from multiple institutions into a single view. PFM also typically includes data visualizations such as spending trends, budgets and net worth.
- **Person to Person (P2P) Payments** – allows users to send money from your bank account to a family member or friend. They are free, fast, and available in both online and mobile banking. Popular P2P apps include Venmo, Zelle, PayPal and Google Pay.

To learn more about the banking tools listed above, contact your financial institution.

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HAVE YOU HAD A MAJOR LIFE EVENT?

As an MMBB member, it is important for you to keep us informed of any major life events that may impact your benefits. This ensures that your MMBB benefits will be fulfilled according to your wishes and MMBB retirement plans.

If you have had a major life event this year such as:

- Change of address,
- Birth of a child,
- Death of a spouse, or

if you would like to change your beneficiary, please contact us at **800.986.6222** or **service@mmbb.org** to make sure that all of your information is up-to-date.

Resources for You

MMBB	800.986.6222 (phone), service@mmbb.org (email) or www.mmbb.org (website)
Conduent (formerly Xerox HR Solutions) Retirement plan account balances, transactions, investment selections, loans, lost PIN	877.626.4032 or www.mmbbaccounts.org
WebTPA Medical Claims Administrator for The Hartford Retiree Health Insurance Plans, for annuitants who are Medicare-eligible	844.380.4556 or www.webtpa.com
UMR Eligibility, premiums, billing, and enrollment assistance for The Hartford Retiree Health Insurance Plans, for annuitants who are Medicare-eligible	866.868.0502 or www.tpa.com/mmbb For prescription drug questions for The Hartford Retiree Health Insurance Plans, call CVS Caremark at 800.966.5772
The Hartford Disability Services	877.889.0242
Governmental Resources	
• Internal Revenue Service	800.829.3676 or www.irs.gov
• Medicare	877.267.2323 or www.medicare.gov
• Social Security Administration	800.772.1213 or www.ssa.gov

TOMORROW

Send us your story ideas!

We are always interested in story ideas from our members. What would you like to see in *Tomorrow*? Send your ideas to **tomorrow@mmbb.org**; your idea could be featured in a future issue.

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