

## Key Considerations and Sample Adoption Motion

Regarding participation with, and options available to Employers under, the UU Organizations Retirement Plan Restatement 2014 (November 20, 2013)

Subject	Key points	Key questions/factors
<b>Steps Toward Adopting the 2014 Plan Restatement</b>	<ul style="list-style-type: none"> <li>✓ All participating congregations and other UUA related-organizations are required to readopt the UU Organizations Retirement Plan by June 30, 2014 if they wish to continue to be a participating employer.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish an Implementation Calendar to guide your leadership through the Plan review and adoption process.</li> <li>• Before completing the 2014 Employer Participation Agreement, have you reviewed the Background Memo, Summary Plan Description, Restated Plan Document, and Participation Agreement Instructions?</li> <li>• Do you understand the major changes, discussed these changes with your employees, and understand the implications to both the employer and employees?</li> </ul>
<b>Employer Base Contributions</b>	<ul style="list-style-type: none"> <li>✓ Employers must remit an employer contribution to all employees who have met the initial year of eligibility service requirement (1,000 hours worked during one year of service). An employee is still eligible for employer contributions even if hours worked falls below 1,000 hours in subsequent years.</li> <li>✓ The employer must offer the same percentage employer contribution to all eligible employees.</li> <li>✓ With the Plan Restatement, Employers are required to make a minimum base employer contribution of 5% percent or more on behalf of all eligible employees.</li> <li>✓ The 10% UUA Fair Compensation guideline regarding employer contributions may be met with any combination of employer contributions (base and matching contribution) totaling an offer of at least 10 percent. For instance, if the base employer contribution is 7 percent and the employer match is 3 percent then the participating</li> </ul>	<ul style="list-style-type: none"> <li>• Which of our current employees are presently eligible to receive employer contributions?</li> <li>• Which employees are poised to meet eligibility for employer contributions within the foreseeable future?</li> <li>• Under the provisions of the revised Plan, the initial year of eligibility service requirement for receiving employer contributions can be met by counting the hours worked by an employee at more than one participating employer, and</li> <li>• If an employee has fulfilled the year of eligibility service requirement with another participating employer and then we hire them, they employee is immediately eligible for employer contributions.</li> <li>• Ordained UU clergy are immediately eligible for employer contributions, because they have already satisfied the year of eligibility service requirement during their training/internship.</li> <li>• Do we intend to meet the UUA Fair Compensation guideline to offer an employer contribution of 10 percent or more to all eligible employees?</li> <li>• What are the financial, moral, administrative, and other implications of our commitment to provide an employer contribution to all of our employees who are presently eligible or will be eligible to receive employer contributions in the future?</li> </ul>

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	<p>congregation would meet the Fair Compensation guideline for employer retirement plan contributions.</p>	<ul style="list-style-type: none"> <li>• How do employer contributions fit in to the overall compensation and benefit package we offer to our employees?</li> <li>• What else must we consider, given our present circumstances?</li> </ul>
<p><b>Optional Employer Match Contribution</b></p>	<ul style="list-style-type: none"> <li>✓ The revised Plan allows employers to offer a matching employer contribution in addition to the required minimum base contribution. There is no requirement that Employers offer matching contributions.</li> <li>✓ The UUA Retirement Plan Committee has recognized that offering an employer match is an incentive to employees to make their own deferred contributions. Employees benefit to the extent that they are able and willing to make, and maximize their own elective deferrals.</li> </ul>	<ul style="list-style-type: none"> <li>• What are the advantages and disadvantages of offering a matching contribution to all of our eligible employees?</li> <li>• Will adding an offer to match employee contributions up to a certain percentage benefit our employees? How?</li> <li>• Will adding an offer to match employee contributions up to a certain percentage benefit the employer? How?</li> <li>• What percentage employee contribution are we prepared to offer to match? (the offer must be the same for all employees)</li> <li>• How can we manage our finances to ensure that if we adopt a match, and all employees contribute the maximum, we can assure that we meet our obligation?</li> <li>• What else must we consider, given our present circumstances?</li> </ul>
<p><b>Definition of Compensation</b></p>	<ul style="list-style-type: none"> <li>✓ Ministers' housing allowance, even that of highly compensated ministers' (those with salaries exceeding \$115,000 in 2012) is included in the compensation base for retirement contributions.</li> <li>✓ Participating employers have the option to exclude any of the following three types of amounts from the base compensation for determining the employer retirement contribution: <ul style="list-style-type: none"> <li>• the payment-in-lieu of FICA to ministers</li> <li>• the gross-up amount for same-gender couples; and/or</li> <li>• the value of any taxable employer-paid insurance premiums.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>✓ What are the advantages and disadvantages of excluding any/each of the three permitted amounts?</li> <li>✓ Is it fair to other employees receiving employer contributions if others are receiving a slightly higher contribution because of the inclusion of these amounts in their compensation base?</li> <li>✓ Will excluding any of these amounts from the compensation base used for calculating the percent of contribution disadvantage our employees? How?</li> <li>✓ Will excluding any of these amounts from the compensation base used for calculating the percent of contribution benefit the employer? How?</li> <li>✓ What else must we consider, given our present circumstances?</li> </ul>
<p><b>Employees and Voluntary Employee</b></p>	<ul style="list-style-type: none"> <li>✓ New employees, including part-time employees working less than 1,000 hours annually, may enroll in the Plan and begin</li> </ul>	<ul style="list-style-type: none"> <li>• What must we establish, internally, to ensure that we meet and consistently manage these provisions of the Plan Restatement?</li> </ul>

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<b>(Tax-Deferred) Contributions</b>	<p>making tax-deferred employee contributions upon employment.</p> <ul style="list-style-type: none"> <li>✓ Existing part-time employees, who are not yet Plan participants because they never fulfilled the year of eligibility service requirement, may now enroll and make their own pre-tax voluntary salary deferrals.</li> </ul>	
<b>Auto-Enrollment</b>	<ul style="list-style-type: none"> <li>✓ Participating employers who elect “auto-enrollment” must enroll employees in a timely fashion, including new employees, and withhold a specified percentage (ranging from 1-6 percent) of their compensation as a pre-tax employee contribution.</li> <li>✓ Employees can opt out of the pre-tax contributions or change the percentage of compensation contributed at any time by properly notifying their employer.</li> <li>✓ Auto-enrollment is gaining popularity among employers that wish to assist their employees’ movement toward a thoughtful consideration of their eventual retirement readiness.</li> </ul>	<ul style="list-style-type: none"> <li>✓ What are the advantages and disadvantages of electing to provide “auto-enrollment” to our employees?</li> <li>✓ How will providing “auto-enrollment” potentially benefit our employees?</li> <li>✓ How will providing “auto-enrollment” potentially benefit the employer?</li> <li>✓ What must we establish, internally, to ensure that we meet and consistently manage the additional administrative obligations related to “auto-enrollment”? <b>Employers who select “auto-enrollment” must manage additional administrative duties including timely provision of notices to employees, timely provision of an appropriate enrollment form, related mandatory disclosures and the like.</b></li> <li>✓ What else must we consider, given our present circumstances?</li> </ul>
<b>Intended Implementation Date</b>	<ul style="list-style-type: none"> <li>✓ Implementation may occur between January 1, 2014 and July 1, 2014, but only after adoption of a motion by your governing board and acknowledgment by the UUA that your 2014 Employer Participation Agreement is in good order.</li> <li>✓ Implementation may not be retroactive.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Have we carefully reviewed the 2014 Employer Participation Agreement, understanding the implications of the options selected, and discussed these changes with all staff?</li> </ul>

**Sample Adoption Motion: 2014 Restatement  
Unitarian Universalist Organizations Retirement Plan**

November 17, 2013

Whereas the (insert congregational or organizational name) is committed to assisting its employees prepare for their retirement years, and

Whereas the Unitarian Universalist Organizations Retirement Plan (the "Plan") is the retirement plan sponsored by the Unitarian Universalist Association, therefore

Be It Resolved that the (insert congregational or organizational name) hereby adopts the 2014 Restatement of the Unitarian Universalist Organizations Retirement Plan and commits to complying with all the provisions of the Plan and the elections made by our (congregation/organization) in the 2014 Employer Participation Agreement until such time as we submit an updated Employer Participation Agreement to the UUA Retirement Plan Committee and they acknowledge receipt of same.

Be It Further Resolved that the intended implementation date of the Restated Plan is the first day of the month of (January through July), 2014 following submission of our 2014 Employer Participation Agreement to the UUA Retirement Plan Committee and receipt of an acknowledgment from said Committee.