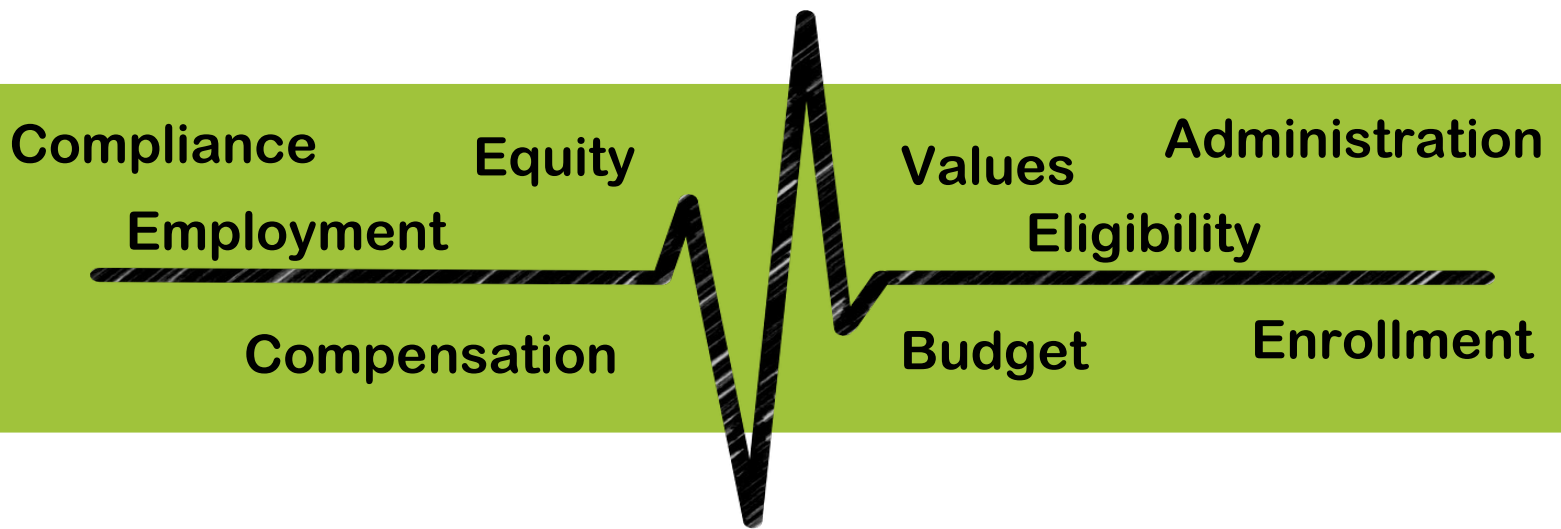




UUA Church Staff Finances



Benefits Tune-up Workbook

Part 3 - Retirement Plan

Know Our Plans
Live Our Faith



8th edition, February 2025

February 2025

Dear Congregational Leaders:

Thank you for making our high-quality, values-based benefits available to your employees. Offering benefits helps you to attract and retain excellent staff and is a way of practicing justice, equity, and compassion within your walls.

Federal law and our Plan rules govern the participation of your employees in our Plans – not your personnel policies or individual employment agreements. You have made a commitment to honoring the terms of our Plans. These terms comply with IRS and other laws, and they represent our Association's obligations to our Plan providers. Congregations and organizations that operate outside of Plan rules put their participation in our Plans at risk, jeopardize the UUA's ability to offer these benefits, and may negatively impact their employees.

The Benefits Tune-up Workbook is designed to help you:

- Understand the basics of our benefit plans
- Ensure that you have good protocols in place for benefits administration
- Check that internal documents and policies are consistent with Plan rules
- Confirm that all is in order or be alerted to necessary adjustments

We introduced the Benefits Tune-up Workbook in October 2017 and received very positive feedback. Now in our 8th edition, we continue to improve and clarify. We urge all participating congregations to complete the Workbook annually – and whenever a new congregational leader becomes responsible. Then refer to this Workbook on a regular basis. Make completion of the Workbook a team effort among a small group of staff and lay leaders with personnel and onboarding responsibilities. We hope you learn something in the process.

In the interest of simplicity, this Workbook does not include all Plan details, nor does it address every situation. See our Benefits, Compensation, and Aid Funds page for complete Plan information: <https://www.uua.org/finance/compensation>. Let us know how we can help you be a confident and reliable employer!



Rev. Richard Nugent, rnugent@uua.org
Director, Church Staff Finances

Please check in with us!

- Let us know that you've tuned up.
 - Send feedback about this Workbook.
 - Share something you've learned.
- <https://www.surveymonkey.com/r/ocsftuneup>

Part 3: Retirement Plan

The Unitarian Universalist Organizations Retirement Plan (UUORP) is an IRS qualified 401(a)/401(k) defined contribution, multiple employer church retirement plan.

*In the interest of simplicity,
this Workbook does not include all Plan details,
nor does it address every situation.
This is especially true of the Retirement Plan.*

Empower has been the recordkeeper for our Retirement Plan since March of 2023. Additionally, a plan restatement took effect January 1, 2025 with some changes to plan rules and procedures. Please make sure you have completed a 2025 Employer Participation Agreement and your procedures have adjusted to reflect the new processes. If you have questions, please reach out to RetirementPlan@uua.org.

ABOUT MINISTERS: While ministers are self-employed for Social Security purposes, they are **employees** for regular income tax and benefits purposes.

Only employees are entitled to employee benefits – not independent contractors (who receive 1099's).

3.1 Participation Basics

- A. ____ We understand that UU Employers that have adopted the Plan must abide by the Plan's provisions.

Who has verified consistency of the congregation's personnel policies and employment agreements with Plan provisions?

On what date did this occur? _____

- B. We understand that all W2 employees 18 years of age and older are eligible to participate in the UUORP and must be given the opportunity to do so. We have verified that ALL employees have been enrolled via the [Employee Data Online Input Form](#) and have account profiles at the recordkeeper (Empower). Everyone participating in the Retirement Plan is an employee, rather than an independent contractor. This means they receive a W2, not a 1099.

Choose one (on the next page):

3.1 Participation Basics, continued

____ YES

____ NO, and we're contacting the UUA Retirement Plan Team, RetirementPlan@uua.org, to learn how to rectify.

Specific workers in question:

Who verified this? _____

- C. We understand that our Employer Participation Agreement reflects our Board's commitments and elections. This key document is kept with other important plan administration materials. We know where it is located.

Choose one.

____ YES, we have it!

____ No, we couldn't locate it, but we've now received a copy from the CSF Retirement Plan Team (RetirementPlan@uua.org) and can answer these questions:

Where is our Employer Participation Agreement kept?

Who is responsible for knowing where it is kept?

_____ (Name and role)

Two additional people who know where it is kept:

1. _____

2. _____

- D. When describing the Retirement Plan to new and prospective employees for any staff position, we exactly mirror the commitments documented in our existing Employer Participation Agreement and adhere to the Plan's definitions and rules.

____ Yes, we are clear and accurate in describing our Retirement Plan commitments to new and prospective employees.

____ We may have some inconsistencies. _____ (name) is contacting RetirementPlan@uua.org for assistance.

3.1 Participation Basics, continued

- E. We acknowledge that our existing Employer Participation Agreement can only be amended effective January 1 or at the start of our Fiscal Year, and that those amendments must be submitted in the form of a new Employer Participation Agreement to the UUA Retirement Plan Team and accepted and signed by the UUA before the new implementation date.

____ Yes, we understand and have submitted a new Employer Participation Agreement and received a fully executed signed agreement back from the UUA reflecting any elections changes we have made.

____ We have changed our elections and not completed a new Employer Participation Agreement and not informed the Retirement Plan Team. _____ (name) is contacting RetirementPlan@uua.org for assistance. We also understand we may have corrections to process because of this elections change.

To change the terms of your Participation Agreement for an upcoming calendar or fiscal year, contact the UUA Retirement Plan Team, RetirementPlan@uua.org.

3.2 Our Commitments to Our Employees

- A. According to our Employer Participation Agreement, each employee that has satisfied the [Year of Eligibility Service \(YoES\)](#) receives:

A Base Employer Contribution of ____% of compensation,

and (choose one):

____ an Employer Match of ____% of compensation OR
____ no Employer Match

EVERY employee who has satisfied the [Year of Eligibility Service \(YoES\)](#) must receive the Employer Base contribution and any Employer match on salary deferrals up to the maximum elected on the EPA. The YoES is detailed in section 3.4 below.

- B. We understand the updated definition of compensation includes amounts received as a housing or parsonage allowance and salary deferrals and excludes severance pay, payment in lieu of FICA, imputed insurance premiums, the gross-up amount for same-gender couples, additional benefits not paid in cash, reimbursements for moving and travel expenses, and health insurance stipends.

____ YES, we're all set.

____ NO, and we're in touch with the Retirement Plan Team for help, RetirementPlan@uua.org.

Who is responsible for making this contact?

3.2 Our Commitments to Our Employees, continued

- C. We've confirmed that all types of contributions are being calculated and remitted in accordance with the Plan and our Employer Participation Agreement. We have confirmed that we always remit Elective Contributions as soon as practicable following the reduction in Participants' Compensation, but in no event more than 15 business days after the end of the month in which the reduction in Compensation is made.

_____ YES, we're all set.

_____ NO, and we're in touch with the Retirement Plan Team, RetirementPlan@uua.org.

Who is responsible for making this contact?

3.3 New Hire Onboarding

- A. We have a process for ensuring that every new employee (age 18 or older) receives these Retirement Plan enrollment materials upon hire:

- [New Hire Retirement Plan Welcome \(PDF\)](#)
- [Summary Plan Description \(SPD\) \(PDF\)](#)
- [Annual Plan Notice \(PDF\)](#)
- A copy of our location's Employer Participation Agreement (EPA).

_____ We understand that all employees (18 or older), *regardless of hours or length of service*, can authorize elective contributions from DAY ONE of employment.

_____ We enroll all W2 employees upon hire.

- B. To add a new employee, make updates to an existing employee, or terminate an employee, please submit the [Employee Data Online Input Form](#)

Choose one:

_____ YES! Here's the person responsible and the process for providing this information to every employee upon hire and annually.

The following employees have authorized Elective contributions (name and date):

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Elective Contributions are the Employee's voluntary, pre-income tax, salary-deferral contributions. Each employee (age 18 and over) will have an Empower account where they can choose, change, or cancel elective contributions.

3.3 New Hire Onboarding, continued

We verify that all employees have either opted into or opted out of pre-tax salary deferral contributions in their account profile at Empower.

_____ Yes, all employees have an election in their Empower profile

_____ No, and _____ (name) is reaching out to the following employees without elections to ensure they enter their election even if \$0 in Empower (list employees):

_____ NO, we haven't been doing this. We recognize that we have an operational error and we're contacting the Retirement Plan Team, RetirementPlan@uua.org.

Who is responsible for correcting this operational error?

- C. **Every time someone is hired**, we check to see whether that individual has already fulfilled the Year of Eligibility Service provision (see 3.4 below), indicating that we are to begin their employer contributions immediately. **Choose one:**

_____ YES, and here's who is responsible for checking:

_____ NO, and here's our plan for making sure this happens going forward:

3.4 Must Receive Employer Contributions: Year of Eligibility Service (YoES)

A. Understanding the Year of Eligibility Service (YoES)

_____ YES, we know that employees who have met the Plan's Year of Eligibility Service provision must receive employer contributions and that no one can "opt out" of receiving contributions due them or negotiate for a different amount.

_____ YES, we recognize that it is our responsibility, as the Employer, to ensure that the determination of satisfaction of the Year of Eligibility Service is handled properly and on a timely basis, with assistance from the UUA Retirement Plan Team.

_____ YES, we enter hours for each active employee at Empower through the contributions process or the Vesting Update feature to assist in tracking the Year of Eligibility Service.

_____ YES, we understand that the Plan's Year of Eligibility Service provision is met when an employee (age 18 or older) fits any one of these criteria:

Contact the UUA Retirement Plan Team, RetirementPlan@uua.org, with questions about **Year of Eligibility Service**.

Hours of service *must be combined* for employees serving more than one participating UU employer concurrently or consecutively.

Determining Year of Eligibility Service (YoES) requirement:

UUA CREDENTIALLED PROFESSIONAL: An individual who is recognized by (i) the Ministerial Fellowship Committee as attaining Preliminary Fellowship status, or (ii) by the Religious Education Credentialing Committee (RECC) as a Credentialed Religious Educator, or (iii) by the Music Leadership Certification Committee (MLCC) as a Certified Music Leader has satisfied the YOES.

ALREADY ELIGIBLE: An employee that has previously met the Year of Eligibility Service provision either as a credentialed professional or while employed by any UU employer that offered the Retirement Plan is immediately qualified and must receive the employer base contribution.

HOURS OF SERVICE: Has completed 12 consecutive months of employment, AND completed 1,000 Hours of Service* during the completed 12-month period reviewed:

- a. On the first anniversary of date of hire OR
- b. At the end of the calendar year in which the first anniversary falls OR
- c. At the end of any calendar year thereafter

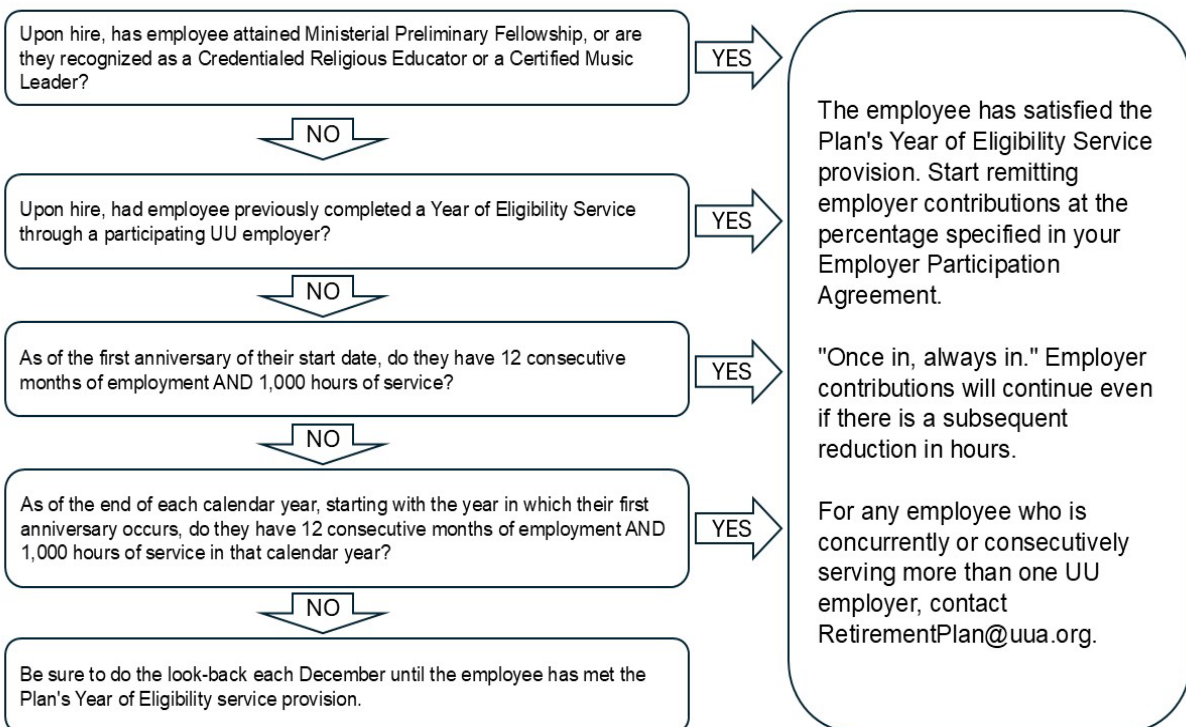
3.4 Employer Contributions: Year of Eligibility Service, continued

* **Important note:** If your employee works for two or more participating UU entities, either consecutively or concurrently, hours are aggregated. Please reach out to the UUA Retirement Plan Team at RetirementPlan@uua.org for help making a proper determination about eligibility.

_____ YES, we understand that once an individual has satisfied this provision, they never have to re-satisfy it, even if their hours are reduced or they go to work for another UU employer that offers the Plan. ***Once satisfied, always satisfied.***

_____ YES, we know that we must enroll all W-2 employees aged 18 and over into the Empower platform so they can contribute on their own if they so choose, to receive employer base contributions once they have satisfied the YOES, and so we can enter their hours worked.

Employer Contributions Flow Chart for Determining Eligibility



3.4 Employer Contributions: Year of Eligibility Service, continued

B. Highlighting Key Dates

_____ YES, we understand that there are 3 important dates on which to check (perform a "look-back") for satisfaction of Year of Eligibility Service:

1. **Date of Hire** (Already satisfied through prior UU service or professional credentialing?)
2. **1-year anniversary** of Date of Hire (1,000 hours completed?)
3. **End of EVERY calendar year** for all employees that have not previously satisfied (Starting the year of 1st anniversary. 1,000 hours completed?)

Two Important Reminders:

1. **Once satisfied, always satisfied.** After an employee satisfies the Plan's Year of Eligibility Service provision, through any one or more participating employers, they begin receiving employer contributions and will do so going forward – even if there is a subsequent reduction in hours or a move to another participating employer.
2. **All participating employers count.** If your employee works for two or more UU entities that participate in the Plan, please reach out to the Retirement Plan Team at RetirementPlan@uua.org for help establishing key dates.

Choose one:

The Empower platform will be used to help track satisfaction of YoES. As this process is being set up, it is important for congregations to continue to monitor YoES for employer contributions:

_____ We already have a reliable process in place for checking at these key times.

How do you keep track of the first look-back date on anniversary of date of hire?

Who is responsible for the look-back at the end of each calendar year? Backup?

_____ We are now putting in place this process for checking: (Who checks? How do you keep track of the date of hire anniversary look-back date and ensure that the look-back occurs at the end of every calendar year?)

_____ We have identified an issue and need to resolve it.

_____ will contact RetirementPlan@uua.org

3.4 Employer Contributions: Year of Eligibility Service, continued

C. All of our employees fall into these categories: (put every employee in a box.)

Is a UUA CREDENTIALLED PROFESSIONAL and is receiving Employer Contributions.	Has satisfied the Plan's Year of Eligibility Service Provision thru hours worked and is receiving Employer Contributions.	Will receive employer contributions after fulfilling the Year of Eligibility Service provision. (Include date on which to check for each employee.) (Name & Check Date)	Has not previously met Year of Eligibility Service provision and won't complete YOES unless hours per year increase, consecutively or concurrently, at another UU Employer that offers this Plan.	Is eligible for salary deferral (employee contributions) (All W-2 employees age 18 and up)

3.5 Empower Interactions

Empower is the Plan's Recordkeeper, as of March 2023. (TIAA was the previous recordkeeper.) They are responsible for keeping records of enrollment, contributions, and how those contributions are invested.

Employers are not invoiced for contributions owed (per federal law). As the employer, you are responsible for calculating and remitting contributions and hours worked.

- A. Who remits employer and employee contributions to Empower?

name title

- B. Who is the back-up person for contribution calculation and remitting?

name title

- C. The UUA knows who is responsible for remitting to Empower from our congregation.

Choose one:

_____ YES, the UUA's Retirement Plan Team already has the name(s) of our responsible remitter.

OR

_____ YES, we have now verified or updated our remitter(s) by completing the [Empower Plan Service Center Users](#) Form.

- D. We are successfully remitting contributions, hours, and ACH bank payment to Empower so that contributions can be properly posted

_____ We have reviewed the Knowledge Base [Plan Admin and Remitter Resources](#).

_____ We are unclear about the remittance process for funding and/or data.

_____ is contacting RetirementPlan@uua.org for assistance.

3.6 Consistency of Policies and Agreements with Plan Rules

_____ We've checked all letters of hire or employment agreements for individual employees, to make sure that all references to the Retirement Plan are consistent with the governing Plan's provisions and our Employer Participation Agreement.

Choose one:

_____ YES, we're all set.

_____ YES, and we found the following items that need to be changed:

_____ and

_____ is responsible for contacting RetirementPlan@uua.org.

3.7 Retirement Plan Reflection

Who helped complete this section of the Workbook? Does this include everyone named as a responsible party?

What did we learn from completing this section of the Workbook?

What are we doing differently going forward?

Date completed:

Please check in with us!

- Let us know that you've tuned up.
- Send feedback about this Workbook.
- Share something you've learned.

<https://www.surveymonkey.com/r/ocsftuneup>

Compensation Reminders & What's Next

4.1 Reminders

A. Health and Dental Plans

- All eligible employees (who work, or are expected to work 750 hours or more a year) must be offered the chance to enroll.
- If they miss the enrollment window (30 days Health, 60 days Dental from first day of work), they must wait for Open Enrollment (November). No open enrollment for Life or LTD.
- Congregation's premium contribution does not need to be the same for all employees. (For instance, may be lower for part-time.) We encourage you to set an equitable policy.

B. Life/AD&D Insurance and Long-Term Disability Plans

- All eligible employees (750 hours, same as health & dental above) must be offered the chance to enroll.
- Enrollment window (60 days) critical! If missed, employee must undergo medical screening to apply. There is no open enrollment for Life or LTD.

C. Retirement Plan

- Employers must inform every employee (age 18+) about the Retirement Plan upon hire; employees must be enrolled, regardless of hours.
- Employees should make an employee contribution election, which may be \$0.
- Employer contributions begin after an employee meets the Plan's Year of Eligibility Service provision. Once satisfied, always satisfied; check for prior qualification.
- Employer's Retirement Contribution is the same percentage for all employees who have satisfied the Plan's requirement, as is the Match offer, if you provide Matching.

4.2 What's Next

A brief checklist for your consideration

- ☐ Have you reviewed UUA [Benefit Recommendations](#) and the [Congregational Salary Program](#), including the values-based checklist found in the Salary Process Guidance?
- ☐ Have you completed the Pay Administration and Benefits Administration checklists found on our [Compensation Standards](#) page? (The Benefits checklist is easy once this Workbook is done!)
- ☐ Are you providing annual cost-of-living adjustments? The third-quarter Consumer Price Index (CPI-U) increase from 2023 to 2024 was 2.6%%. As you budget for staff salaries in the year ahead, consider that a 2.6% wage increase is needed to roughly maintain a typical employee's purchasing power.
- ☐ Are employees progressing through the salary range for their position? (We expect employees reach midpoint in no more than 5 years if starting at the minimum recommended salary.)
- ☐ Are employees evaluated annually by their supervisor (to complement regular supervisory conversations about goals, needs, progress, etc)?
- ☐ Do all employees have job descriptions? Are these reviewed and adjusted as needed, as part of the annual evaluation process?
- ☐ Do you provide appropriate [professional expenses](#) to your staff?
- ☐ How can Church Staff Finances assist you? Email Comp@uua.org.