

January 2020

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 and compassion within your walls.

Most importantly, you need to know that 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 federal 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 protocol 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. After making light edits in the fall of 2018, we’re continuing to improve and clarify with this February 2020 update. We urge all participating congregations to complete the Workbook annually – and whenever a new congregational leader becomes responsible. Please refer back to this Workbook on a regular basis. Make this 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. Note: in the interest of simplicity, this Workbook does not include all Plan details nor does it address every situation.

Please let us know how we can help you be a confident and reliable employer!



Rev. Richard Nugent, rnugent@uaa.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>

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IMPORTANT LINKS

Benefits, Compensation, and Aid Funds www.uaa.org/finance/compensation
Office of Church Staff Finances Contacts www.uaa.org/offices/staff/mfd/ocsf

Part 1: Health Plan

1.1 Employer Subscription Agreement

We've located our Subscription Agreement for the UUA Health Plan! **Choose one:**

____ YES, we have it here.

____ YES. We couldn't find a copy onsite. We've now received a copy from the Office of Church Staff Finances insurance plans staff. (Write to insurance_plans@uua.org.)

Here is where we keep our Subscription Agreement:

Who (what role) is responsible for knowing where the Subscription Agreement is kept?

Two other people who know where it is kept:

1. _____

2. _____

1.2 Our Commitments to Our Employees

According to our Subscription Agreement, we've elected to offer these plan designs **(Indicate all that apply)**:

- Standard PPO benefits – Gold level plan
- High-deductible PPO benefits – Silver level plan
- High-deductible PPO benefits – Bronze level plan
- Medicare supplement benefits (only for those with active Medicare in place)

We have chosen to make coverage effective **(Choose One)**:

- As of date of hire
- First day of month following date of hire
- First day of month following a waiting period of (choose one):
 - 30 days of employment
 - 60 days of employment
- After 90 days of employment

We have agreed to contribute:

\$_____ or _____% for employee coverage, and \$_____ or _____% of the additional cost of family coverage. Or as follows:

1.3 Eligibility and Enrollment

_____ We understand that all employees (must receive a W2, not a 1099) who are scheduled to work at least 750 hours per year – about 15 hours/week, year-round – are eligible for the Health Plan.

This includes the following employees:

If you make the UUA Health Plan available to one employee, you must offer it to all eligible employees. However, you are not committed to paying the premium for all, or to paying the same percentage premium for each. (See 1.2, final question.) You may, for instance, choose to pay a higher percentage of the premium for 30- to 40-hour employees than for those with fewer hours. Of course, we urge equitable policies in this regard.

_____ We understand that employees must enroll within 30 days of date of hire or qualifying event. Otherwise, they must wait for Open Enrollment (November).

Who is responsible for ensuring that new employees are given Health Plan enrollment info upon hire and ensures that enrollment happens within no more than 30 days? (This also applies to those who have a qualifying event.) Who can double-check or be available as a backup?

_____ has primary responsibility. (Name and role.)

_____ is a backup.

Each November, all eligible employees have the opportunity to enroll in our Health Plan or, for current participants, to move to a higher-level Plan. Who communicates to staff in October about November's Open Enrollment period for the following calendar year? Who is backup?

_____ has primary responsibility. (Name and role.)

_____ is a backup.

1.4 Ongoing Health Plan Administration

1. We fill out the Split Form (Contribution Report) on a monthly basis, showing how premiums are split between the employer and each employee:

<https://uua.wufoo.com/forms/wvrel4a0caynnpn/>.

_____ has primary responsibility for completing the Split Form.

_____ is available as backup.

2. No changes can be made over the phone. Who communicates with UUA Office of Church Staff Finances about employee changes, including address changes and staff departures? In general, employee changes should be submitted by completing the Employee/ Benefits Changes Form: <https://www.uua.org/finance/compensation/insurance-employee-changes>.

_____ is primarily responsible for communicating to OCSF about any changes to employee information or employment status

_____ is available as backup.

3. We understand that as participants in the UUA Health Plan, we must respond to any request for information from Plan auditors.

1.5 Consistency of Agreements and Policies with Plan Rules

_____ We've checked 1) our congregation's personnel policies and 2) all letters of hire and employment agreements for individual employees, to make sure that all references to the Health Plan are consistent with Plan rules.

Choose one:

_____ YES, we're all set.

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

Plan for making changes, including who is responsible:

1.6 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!

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Part 2: Group Insurance Plans

Dental, Life/AD&D, and Long-Term Disability

2.1 Eligibility and Enrollment

A. _____ We understand that all employees (not independent contractors) who are scheduled to work at least 750 hours per year – about 15 hours/week, year-round – are eligible to enroll in UUA Group Insurance Plans. *Note: interns are not eligible for Group Insurance Plans.*

This includes the following employees:

NOTE: If you make any of the Group Insurance Plans available to one employee, you must offer them to all eligible employees. However, you are not committed to paying the premium for all, or to paying the same percentage premium for each. You may, for instance, choose to pay a higher percentage of the premium for 30- to 40-hour employees than for those with fewer hours. Of course, we urge equitable policies in this regard.

B. _____ We understand that employees must enroll within 60 days of date of hire or qualifying event. **Otherwise:**

- **For Life and LTD**, they will need medical evidence of insurability and underwriter approval. ***It is extremely important that enrollment happens within 60 days of hire.***
- **For Dental**, they must wait for Open Enrollment (November).

Who is responsible for ensuring that eligible new employees receive enrollment info upon hire and that enrollment happens within the 60-day window after hire or qualifying event? Who can double-check or be available as a backup?

_____ is responsible. _____ is backup.

Each November, all eligible employees have the opportunity to enroll in our Dental Plan. Who communicates to staff about Open Enrollment each fall for the following calendar year?

_____ is responsible. _____ is backup.

2.2 Consistency of Agreements and Policies with Plan Rules

_____ We've checked 1) our congregation's personnel policies and 2) all letters of hire or employment agreements for individual employees, to make sure that all references to Group Insurance Plans are consistent with Plan rules.

Choose one:

_____ YES, we're all set.

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

Plan for making changes, including who is responsible:

2.3 Ongoing Group Insurance Plan Administration

A. _____ We understand that employee changes must be made in writing and are preferably done by using this form: <http://www.uua.org/finance/compensation/insurance-employee-changes>. This includes address changes, changes in hours or salary, and departures.

_____ is responsible for communicating with OCSF staff.

_____ is available as backup.

B. _____ We understand that we get billed monthly, based on annualized wages for participating employees. See www.uua.org/finance/compensation/billing.

C. Who is responsible for tracking 1) qualifying events that deem an employee newly eligible, and 2) terminations or hours reductions that would make an employee no longer eligible?

_____ is responsible. _____ is backup.

D. _____ We understand that for Life Insurance beyond \$50,000 in coverage, a portion of the cost paid by the congregation needs to be imputed (added to taxable wages) as income on the employee's W-2 form (i.e., is considered a taxable benefit). See: <http://www.uua.org/finance/compensation/group/life/176232.shtml>.

E. _____ We understand that if Long-term Disability premiums are paid by the congregation (which the UUA recommends), the amount of the premium should be imputed (added to taxable wages) on the employee's W-2 form in order to ensure that any benefit paid out is not taxed. See: <http://www.uua.org/finance/compensation/group/ltd/176239.shtml>.

2.4 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?

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Part 3: Retirement Plan

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

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 with Plan provisions?

On what date did this occur? _____

- B. We have verified that 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.

____ YES

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

Specific workers in question:

Who verified this? _____

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, continued)

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!

____ YES! We couldn't find it onsite. We've now received a copy from the UUA Retirement Plan Director, RetirementPlan@uua.org.

Here is where we keep our Employer Participation Agreement:

Who is responsible for knowing where it is kept?

_____ (Name and role)

Two additional people who know where it is kept:

1. _____

2. _____

A reminder, as stated on page 2:

***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.***

3.2 Our Commitments to Our Employees

- A. According to our Employer Participation Agreement, each employee eligible for Employer Contributions receives:

A Base Employer Contribution of _____% of compensation,
and (choose one):

_____ an Employer Match offer of _____% of compensation
_____ no Employer Match.

EVERY employee eligible for Employer's contributions must receive the Employer percentage contribution and any Employer match opportunity stated in your congregation's Employer Participation Agreement.

- B. Our Employer Participation Agreement indicates whether we have elected to Auto-enroll our employees upon hire. *Auto-enrollment means that unless an employee elects otherwise, the congregation must remit a percentage of every employee's salary to their TIAA account by default.*

Choose one:

_____ YES, according to our Employer Participation Agreement. we auto-enroll at _____% deduction and recognize the extra level of administrative diligence that this requires. Every staff member understands this and knows they can opt-out or select a different percentage for their Elective contributions.

Who is responsible for ensuring that all employees are informed of auto-enroll?

_____ NO, we aren't Auto-enrolling. *However*, we do inform all employees about the Retirement Plan and provide them with enrollment and contribution information upon hire.

- C. Our Employer Participation Agreement shows that we make the following exclusions from the compensation base when calculating contributions (**Check all that apply**):

_____ No exclusions
_____ We exclude Payment in lieu of FICA (for ministers)
_____ We exclude Same-sex partner/spouse benefits
_____ We exclude the amount of imputed Life and LTD premiums

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

(3.2 Our Commitments to Our Employees, Continued)

D. We've confirmed that all contributions are being calculated and remitted in accordance with our Employer Participation Agreement. We 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 UUA Retirement Plan Director, 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 comprehensive Retirement Plan enrollment materials upon hire. (See box for link to enrollment materials.) We understand that all employees (18 or older), *regardless of hours or length of service*, can authorize elective contributions from DAY ONE of employment.

Choose one:

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

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

Who is responsible for correcting this operational error?

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

Enrollment materials:

<http://www.uua.org/finance/compensation/retirement/enrollment-instructions>

Elective Contributions are the Employee's voluntary, pre-income tax, salary-reduction contributions. ANY employee can authorize deferrals by completing an **Employee**

Contribution Agreement:

https://www.uua.org/sites/live-new.uua.org/files/2020_employee_contributions_agreement_salary_reduction_form.pdf

(3.3 New Hire Onboarding, continued)

B. **Every time someone is hired**, we check to see whether that individual has already fulfilled a Year of Eligibility Service (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:

Contact the UUA Retirement Plan Director, 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.

3.4 Eligibility for Employer Contributions

_____ YES, we know that our employees who have met the Plan's Year of Eligibility Service provision are eligible for employer contributions and that no one can "opt out" of receiving contributions due them. "Eligible for" means ***must receive***.

_____ YES, we recognize that it is our responsibility, as the Employer, to ensure that the determination of eligibility for employer's contributions is handled properly and on a timely basis.

_____ 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:

1. **MINISTERIAL FORMATION:** Has successfully completed a UU ministerial internship.
2. **ALREADY ELIGIBLE:** Previously met the Year of Eligibility Service provision while employed by a UU employer that offered the Retirement Plan.
3. **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

See Retirement Plan contribution example and flow chart on page 20.

(3.4 Eligibility for Employer Contributions, continued)

_____ 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 eligible, always eligible.***

_____ YES, we know that if an employee who is due contributions refuses or fails to enroll, we will enroll them by working through the UUA Retirement Director, RetirementPlan@uua.org, who can help us partner with TIAA, the Plan Recordkeeper, to accomplish the enrollment.

Our employees fall into the following categories: (Put every employee in a box.)

Has satisfied the Plan's Year of Eligibility Service Provision and is receiving Employer Contributions.	Will receive employer contributions after completing their Year of Eligibility Service. (Include date on which to check for each employee.) NAME CHECK DATE	Works fewer than 1,000 hours/yr and has not previously met Year of Eligibility Service. Won't be eligible for employer contributions unless hours/yr increase in the future or they pick up hours, consecutively or concurrently, at another UU Employer that offers this Plan.

3.5 Eligibility for Employer Contributions: Key Dates

_____ YES, we understand that there are 3 important dates on which to check for initial eligibility for employer contributions:

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

Reminder: Once eligible, always eligible. After an employee satisfies the Year of Eligibility Service provision, they begin receiving employer contributions and will do so going forward, even if there is a reduction in hours or a move to another participating employer.

Choose one:

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

Who checks? _____

How do you keep track of the date of hire anniversary check date?

_____ We are now putting in place this process for checking: (Who checks? How do you keep track of the date of hire anniversary check date?)

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

_____ will contact RetirementPlan@uua.org.

3.6 TIAA Interactions

TIAA is the Plan's Recordkeeper. They are responsible for keeping records of enrollment, contributions, and how those contributions are invested.

A. Who remits employer and employee contributions to TIAA?

_____ 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 TIAA from our congregation.

Choose one:

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

_____ YES, we have now verified or updated our remitter by notifying the Retirement Plan Specialist, CBenak@uua.org

By federal law, no invoice is sent for this employee benefit.

You, the Employer, calculate and remit all contributions.

D. We send contributions and remittance forms to TIAA via the following method:

Choose one.

_____ We use the preferred TIAA electronic file upload method.

_____ We send a check and paper TIAA Remittance Form to the TIAA address designated for that purpose.

_____ We use another method. Describe here:

_____ We are unclear about the remittance process. _____ will contact the UUA Retirement Plan Specialist, CBenak@uua.org.

3.7 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:

_____ is responsible for contacting RetirementPlan@uua.org.

3.8 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, if anything, are we doing differently going forward?

Who is responsible for making any necessary updates/changes?

Date completed: _____

_____ We'll complete this again next year on this date.

Please check in with us!

- Let us know that you've tuned up.
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<https://www.surveymonkey.com/r/ocsftuneup>

3.9 Employer Contribution Eligibility: Example and Flow Chart

Example: Determining Initial Eligibility for Employer Contributions

Before hire, you verify that a new employee has not completed a UU ministerial internship, has not previously satisfied the Plan's Eligibility Service provision, and is not working (consecutively or concurrently) for another participating UU employer. When does this staff member begin receiving employer contributions?

Date of hire: 08/06/2014. Employee works year-round (12 consecutive months each year).

- Hours of Service from **08/06/2014 to 08/06/2015** (anniversary of date of hire): **840**
- Hours of Service in calendar year **2015** (year of 1st anniversary): **920**
- Hours of Service in the next Calendar Year (**2016**): **1,020**
- Hours of Service in the next Calendar Year (**2017**): **800**

The Year of Eligibility Service was satisfied at the end of calendar year 2016. Employer's Contributions are based on Compensation paid each pay period beginning 01/01/2017.

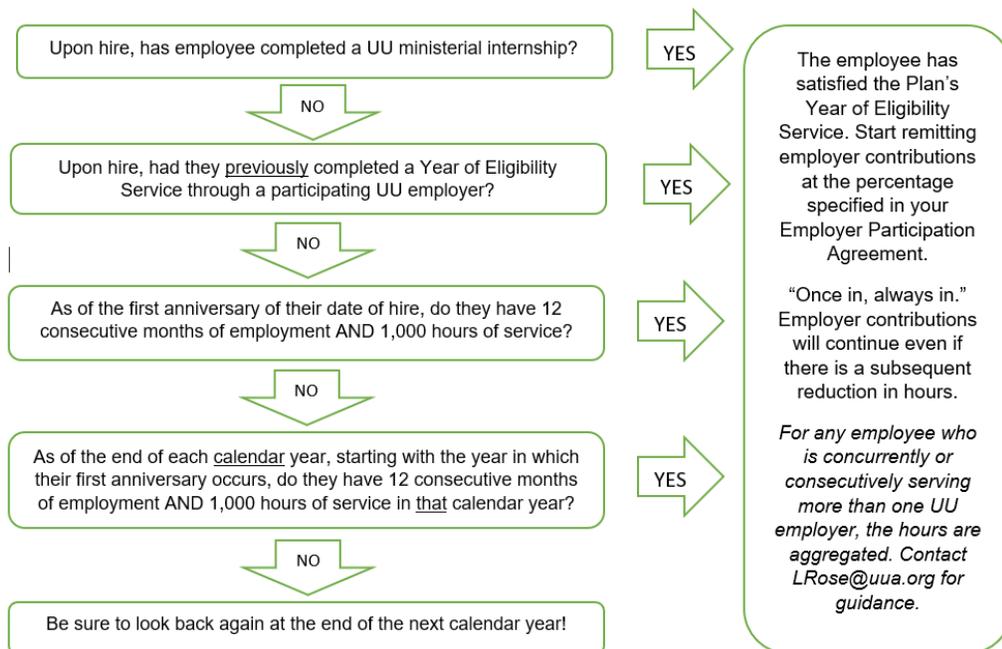
Even though Hours of Service drop below 1,000 in a subsequent year, the Employer must continue to remit Employer Contributions and cannot impose/require the employee to wait or re-satisfy the provision. Employees do not lose their status when hours drop after initially satisfying the provision, nor when transitioning to serve another UU Employer that has adopted the Plan.

Remember, BOTH of the following things had to have been true for the 12-month period:

- Employed for the 12 consecutive months *of that period*
- Rendered 1,000 or more Hours of Service *during that period*

Note: An Employee doesn't satisfy their initial Year of Eligibility Service before the end of the 12-consecutive-month period under review, even if they complete 1,000 hours of service sooner. (Contact RetirementPlan@uua.org in the case of an individual employed by more than one UU Employer consecutively or concurrently.)

Flow Chart



Part 4: Compensation Reminders & Next Steps

4.1 Reminders

Health and Dental Plans

- All eligible employees (750 hours scheduled) must be offered the chance to enroll.
- If they miss the enrollment window (30 days Health, 60 days Dental), they must wait for Open Enrollment (November).
- 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.

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

- All eligible employees (750 hours scheduled) must be offered the chance to enroll.
- Enrollment window (60 days) critical! If missed, employee must get underwriter approval.

Retirement Plan

- Employers must inform every employee (age 18+) about the Retirement Plan upon hire; employees may enroll and authorize elective contributions regardless of hours.
- Employer contributions begin after an employee meets the Year of Eligibility Service requirement. Once eligible, always eligible; check for prior qualification.
- Employer's Retirement Contribution is the same percentage for our employees who have satisfied the Plan's requirement, as is the Match offer, if we provide Matching.

4.2 Next Steps

A brief checklist for your consideration

- Have you compared staff salaries to the UUA Salary Recommendations and reviewed benefits relative to our Guidelines? You'll find Compensation Guidelines and Salary Recommendations at <http://www.uua.org/finance/compensation/program>.
- Does your congregation provide annual cost-of-living adjustments?
- Are employees progressing through the salary range for their position? (A typical employee might reach midpoint in 5-7 years.)
- Does your congregation give merit raises to one or more employees each year?
- Are employees evaluated annually by their supervisor?
- Do all employees have job descriptions? Are these reviewed and adjusted as needed, as part of the annual evaluation process?
- Do you provide professional expenses to all your professional staff? How much?
- Has your congregation sought guidance from a UUA Compensation Consultant during the past five years? Would you be interested in having a Compensation Consultant visit, at no cost to you? See <http://www.uua.org/finance/compensation/program/consultants>.
- How can the Office of Church Staff Finances assist you? Email comp@uua.org.