

September 2018

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.

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, may negatively impact their employees, and jeopardize the UUA's ability to offer these benefits.

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. For this 2018 edition, we've made a few edits for clarity. We urge all participating congregations to complete the Workbook in October 2018, and to refer back to it 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 or attempt to address every situation.

Please 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>

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IMPORTANT LINKS

Benefits, Compensation, and Aid Funds www.uua.org/finance/compensation
Office of Church Staff Finances Contacts www.uua.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. (Write to insurance_plans@uaa.org.)

Here is where we keep our Subscription Agreement:

Not sure what the Employer Subscription Agreement looks like? You'll find a link to the form in the Congregational Employer section of our Health Plan page: <http://www.uua.org/finance/compensation/health>. (Look at the Employer Agreement, not the Individual Agreement that is used for Community Ministers.)

Three people who know where it is kept:

1. _____

2. _____

3. _____

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 (not independent contractors) 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 make it available 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 full-time employees than for part-time.

_____ 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.

_____ 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.

_____ is a backup.

1.4 Ongoing Health Plan Administration

We fill out the Split Form on a monthly basis, showing how premiums are split between the employer and each employee: <https://uua.wufoo.com/forms/wvrel4a0caynpr/>.

_____ has primary responsibility for completing the Split Form.

_____ is available as backup.

No changes can be made over the phone. Who communicates with UUA Office of Church Staff Finances in writing (insurance_plans@uua.org) about employee changes, including address changes and added dependents?

_____ is primarily responsible for communicating with OCSF.

_____ is available as backup.

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 or 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 the Group Insurance Plans available to one employee, you must make them available 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 full-time employees than for part-time.

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 November for the following calendar year?

_____ is responsible. _____ is backup.

2.3 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:

2.4 Ongoing Group Insurance Plan Administration

A. _____ We understand that employee changes must be made in writing (send to insurance_plans@uua.org), not by phone. This includes address changes and added dependents, as well as changes in hours or salary. (See <http://www.uua.org/finance/compensation/insurance-employee-changes>.)

_____ 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>.

2.5 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 3: Retirement Plan

3.1 Participation Basics

A. 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 Linda Rose, lrose@uua.org, 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.

People who are not your employees are not eligible for employee benefits.

B. We've located our Employer Participation Agreement!

Choose one.

YES, we have it!

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

Here is where we keep our Employer Participation Agreement:

Three people who know where it is kept:

1. _____

2. _____

3. _____

The Employer Participation Agreement with the UU Organizations Retirement Plan contains key items including your Board's elections and retirement contribution commitments.

Not sure what it looks like? Find a link to a **blank Participation Agreement** on our main Retirement Plan webpage: www.uua.org/finance/compensation/retirement

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 either (choose one):

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

EVERY employee eligible for Employer's contributions receives the same base percentage contribution and is offered the same employer's matching contribution (if any). See your 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 remits a percentage of their salary to their TIAA account by default.*

Choose one:

_____ YES, we auto-enroll at _____% deduction. Every staff member understands this and knows they can opt-out or select a different percentage for their Elective contributions.

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

- 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 clarify or change the terms of your Participation Agreement, contact Linda Rose, lrose@uua.org.

- D. We've confirmed that all contributions are being calculated and remitted in accordance with our Employer Participation Agreement.

_____ YES, we're all set.

_____ NO, and we're in touch with Linda Rose, UUA Retirement Plan Director, lrose@uua.org to get things straightened out. Who is responsible for communicating with Linda? _____

3.3 New Hire Onboarding

A. We understand that every new employee (18 or older), regardless of hours, can authorize elective contributions from DAY ONE of employment. We have a process for ensuring that every new employee (age 18 or older) receives enrollment materials upon hire. This includes the Employee Contribution Agreement for making elective contributions.

Choose one:

____ YES! Who is responsible? What is the process?

____ NO, and here's what we're doing to fix things:

1. We're informing all of our employees of this today, and providing them with enrollment materials and the Employee Contribution Agreement.
2. For all future new hires, here's who is responsible and how we will check that it's happening:

The following employees make Elective contributions:

B. **Every time someone is hired**, we check to see whether that individual has already fulfilled a Year of Eligibility Service (see 3.4), 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:

Elective Contributions are the Employee's voluntary, pre-income tax, salary-reduction contributions.

Enrollment materials:

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

Employee Contribution Agreement:

http://www.uua.org/sites/live-new.uua.org/files/salary_reduction.pdf

3.5 Key Dates

_____ YES, we understand that there are 3 important dates to check for initial eligibility for employer's 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?)

New for 2018!

Bonus Page on Employer Contributions

See page 19 for Example and Flow Chart.

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, Linda Rose already has the name(s).

_____ YES, we have now verified or updated through Linda, lrose@uua.org.

D. We send contributions and remittance form 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:

No invoice is sent for this employee benefit.

You, the Employer, calculate and remit all contributions.

3.7 Consistency of Policies and Agreements 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 the Retirement 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:

3.9 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: _____

Please check in with us!

- Let us know that you've tuned up.
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Bonus: Reminders & Compensation Next Steps

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

- Every employee (age 18+) should be informed of the Retirement Plan upon hire, and they may make elective contributions immediately, regardless of hours.
- Employer contributions begin after an employee meets the Year of Eligibility Service requirement. Once eligible, always eligible.
- Base employer contribution must be the same percentage pay for every eligible employee and, if match is offered, same percentage match.

Compensation 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.

Bonus: Retirement Plan Employer Contributions

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 cannot complete a Year of Eligibility Service before the end of the 12-consecutive-month period, even if they complete 1,000 hours of service sooner.

Flow Chart

