



Unitarian Universalist Organizations Retirement Plan Employee Contributions Salary Reduction Agreement



Employees use this form to elect to defer Compensation to the UU Organizations Retirement Plan (the Plan) before the imposition of Federal income taxes. Such a contribution is an Elective (Employee) Contribution. The Employer is responsible for calculating and remitting. Employers are those UU entities that have a fully executed Employer Participation Agreement on file with UUA, the Plan Sponsor.

The Employer is required to make the requested action effective as soon as administratively practicable following Employee’s submission of this form to their Employer.

EMPLOYERS MUST CHECK ONE OF THE TWO BOXES BELOW:

Employees are not automatically enrolled in the Plan but may enroll and authorize Elective Contributions.

To the employee, age 18 or older, of Employers who did not adopt “auto-enrollment:”
Even if your Employer is not an “auto-enroll” Employer you may enroll in the Plan and then complete this form to direct your Employer to start, stop, or change the amount of your elective salary reduction contributions, whether or not you have met the governing Plan’s Year of Eligibility Service criteria.

As noted on our Employer Participation Agreement, Election #1, we ensure that our Employees are automatically enrolled in the Plan at an employee contribution rate of _____% of their Compensation each pay period.

To the employee, age 18 or older, of Employers who adopted “auto-enrollment:”
Under the Plan’s automatic enrollment feature, if you do not elect to make salary reduction contributions, your Employer may elect in advance to automatically withhold a portion of your eligible compensation from your pay each pay period and contribute that amount to the Plan. If your Employer checked the box above, the automatic contribution rate, a fixed percentage of your compensation for each pay period, is also noted above.

If you agree to the automatic deferral amount selected by your Employer (above), you do not need to complete this form. Your Employer may request that you sign your acknowledgement and consent to the deferral of the amount the Employer has selected.

This “auto-enroll” feature of the Plan will not apply to you if you either already elected to make contributions to the Plan or you already opted out of making your own contributions to the Plan.

You are in charge of the amount that you contribute. You may decide to do nothing and become or remain automatically enrolled, or you may increase or decrease your salary reduction percentage (or decline to make any salary reduction) at any time. If you wish to elect a different deferral amount than the automatic deferral percentage selected by your Employer, check the second box under Section 2 below and complete Section 3. If you do not want to defer any of your compensation, check the third box under Section 2 below.

1. Employee Information:

Name:
(should match the name on the employee’s account in the Plan)

Address:

Phone: **Personal Email:**

UU Employer’s name:

2. Action Requested

- Start Salary Reductions – Choose percentage below in Section 3.**
- Change the amount of Salary Reductions– Choose percentage below in Section 3.**
- Decline to make or stop current Salary Reductions – Do not complete Section 3.**

3. Salary Reduction Amount

Subject to the annual contribution limits and other requirements of the Plan as described on the attachment to this Agreement, I authorize my Employer to reduce my cash compensation by:

Complete One: \$ _____ for each pay period
(Dollar Amount)

OR

_____ % of my gross cash compensation
(Percentage)

4. Signature

- I understand that I may change the amount of my salary reduction or terminate this Agreement at any time by filing a written notice of termination with my Employer 30 days prior to the date that I wish to change the amount or terminate this Agreement.
- **I understand that I am responsible for determining that the amount of my salary reduction listed above does not exceed the legal limits of such contributions shown on the attachment to this form entitled Requirements of the Internal Revenue Service and the Unitarian Universalist Organizations Retirement Plan.**
- I understand that, upon my request, my Employer will provide any available information from the Employer’s records that is necessary to enable me to make these determinations.

Employee Signature

Date

IMPORTANT REMINDERS: Neither UUA nor the Recordkeeper receives a copy of this Agreement. **The Employer must confirm that the employee is enrolled in the UU Organizations Retirement Plan before remitting contributions.** Keep this signed, dated original on file and provide the employee with a copy. Although Elective Contributions are not subject to Federal income taxes at time of contribution, FICA remains applicable for non-clergy employees; the Employer calculates the amount of FICA using the non-clergy employee’s gross pay.

Requirements of the Internal Revenue Service and the Unitarian Universalist Organizations Retirement Plan

Your Employer may elect to automatically enroll you in the Plan to make salary reduction contributions at a specified percentage of your compensation, unless you elect otherwise. Your Employer will provide you with separate information if you are subject to automatic enrollment.

All contributions made to the Plan on behalf of enrolled participants, whether Employer Contributions or Employee Contributions (salary reduction contributions and catch-up contributions), and all earnings on those contributions, are, always, fully vested. Upon separation from service, you may receive the assets in your account as a lump sum payment, as a rollover into an Individual Retirement Account (IRA), or in systematic withdrawal payments. Individuals with accounts exceeding \$5,000 may also retain their account in the Plan after separation from service.

Contributions into a qualified retirement plan such as this Plan are governed by the Internal Revenue Code (IRC). IRC Section 415 requires that the sum of the Employer Contributions and Employee Contributions into the Plan in any limitation year (in this case, the calendar year) not exceed an amount equal to 100 percent of your taxable income or \$61,000 for 2022, (\$58,000 for 2021), whichever is less.

In addition, the total Salary Reduction Contributions you may make to all savings plans (such as 401(k) and 403(b) plans) in a calendar year cannot exceed the limit under IRC Section 402(g) (\$19,500 in 2021, \$20,500 in 2022). If you are age 50 or older, you may make additional catch-up contributions to the Plan (maximum \$6,500 for 2021 and 2022).

The U.S. Department of Labor scrutinizes the timing of Elective contributions.

Employers are to remit Elective contributions as soon as possible after separating the funds from the employees' paychecks, and in no case are Elective contributions to be remitted beyond the 15th day of the month following the month in which they were separated from employees' pay.

Employers remit both contribution *data* and *funds* to the Plan's Recordkeeper: TIAA. Employers are to contact retirementplan@uua.org in order to designate or update UUA records regarding the name, title, and contact details of the person the Employer has charged with accountability for proper, timely contribution remittance.

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

Participating Employers ensure that their employees, age 18 or older, have an opportunity to accumulate savings for their retirement years.