

The General Board is aware that many United Methodist Personal Investment plan (UMPIP) plan sponsors are currently making decisions about UMPIP plan provisions for 2014. To aid you in that process, we are providing the adoption agreements for both 2013 (immediately follows) and 2014. Please be sure to use the appropriate form when making your elections.



## **Adoption Agreement for Local Church/Salary-Paying Unit Sponsorship of Clergy United Methodist Personal Investment Plan (UMPIP)**

This form is for local churches and other salary-paying units whose clergy participate in the Clergy Retirement Security Program (CRSP) for elections before 2014.

### **Part I – General Information. Please print.**

- 1.1 Name of plan sponsor \_\_\_\_\_
- 1.2 Organization type (*check one*):
- Church
  - Conference
  - District Office
  - Other 501(c)(3) United Methodist Church related organization—attach a copy of the IRS 501(c)(3) determination letter or a letter from the General Council on Finance and Administration (GCFA) indicating your inclusion as a United Methodist 501(c)(3) organization (*check one*):
    - Qualified Church-Controlled Organization\*
    - Non-Qualified Church-Controlled Organization\*\*
- 1.3 Federal employer identification # \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Employer # \_\_\_\_\_
- 1.4 Plan sponsor mailing address \_\_\_\_\_  
\_\_\_\_\_
- 1.5 Plan sponsor billing address, if different from mailing address \_\_\_\_\_  
\_\_\_\_\_
- 1.6 Plan sponsor telephone # ( \_\_\_\_\_ ) \_\_\_\_\_
- 1.7 Name and title of contact person(s) \_\_\_\_\_
- 1.8 Contact person(s) telephone # ( \_\_\_\_\_ ) \_\_\_\_\_
- 1.9 Contact person(s) e-mail address \_\_\_\_\_
- 1.10 Conference affiliation, if any \_\_\_\_\_

\* A “Qualified Church-Controlled Organization” (e.g., foundation, camp community center, counseling/rehabilitation center, etc.) is an organization which is controlled by, a part of, or affiliated with The United Methodist Church and which: a) does not offer goods, services or facilities for sale, other than on an incidental basis, to the general public, other than goods, services or facilities which are sold at a nominal charge which is substantially less than the cost of providing such goods, services or facilities, and b) does not normally receive more than 25% of its support from either: 1) governmental sources, or 2) receipts from admissions, sales of merchandise, performance of services or furnishing of facilities, in activities which are not unrelated trades or businesses, or both.

\*\* A “Non-Qualified Church-Controlled Organization” (e.g., a college, nursing home, hospital, retirement center) is a United Methodist-Affiliated organization that is not a Qualified Church-Controlled Organization.

## Part 2 – Plan Sponsor Discretionary Contributions

All clergy may make before-tax and/or after-tax contributions to UMPIP as soon as they begin to serve the local church/salary-paying unit adopting the plan and complete a *Before-Tax and After-Tax Contributions Agreement*.

In addition, by checking the appropriate box below, the local church/salary-paying unit reserves the right to make a discretionary plan sponsor contribution by June 1 for the prior calendar year for eligible clergy. The formula or amount, if any, must be declared by completing the *Discretionary Contribution Election Form* each year, by May 1 for the prior calendar year.

- Yes, we reserve the right to make discretionary plan sponsor contributions.
  - No, we do not elect to make discretionary plan sponsor contributions.
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## Part 3 – Plan Sponsor Acknowledgements

By executing this adoption agreement, the local church/salary-paying unit hereby acknowledges, understands and agrees that:

- 3.1 Upon acceptance of this adoption agreement by the General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois (General Board), the local church will become a plan sponsor for all of its clergy as defined in UMPIP who are eligible for CRSP.
- 3.2 The plan sponsor will comply with UMPIP, as amended periodically, and the rules, regulations and procedures promulgated by the General Board, or its successors.
- 3.3 If UMPIP is amended in accordance with its amendment provisions, the General Board may (but need not) require the plan sponsor to execute a new adoption agreement.
- 3.4 Both the General Board and the General Conference of The United Methodist Church have the right to terminate UMPIP at any time in accordance with UMPIP provisions.
- 3.5 The General Board has the right to terminate the plan sponsor's sponsorship of UMPIP if the plan sponsor fails to satisfy its responsibilities under UMPIP.
- 3.6 In the event of any discrepancies between this adoption agreement and the UMPIP plan document, the plan document will control.
- 3.7 The plan sponsor may terminate its sponsorship of UMPIP as of a specified date after giving at least 90 days advance written notice to the General Board and at least 30 days written notice to its participants of its intent to terminate.
- 3.8 The plan sponsor will offer enrollment to clergy in UMPIP as of the effective date of appointment to the church/salary-paying unit.
- 3.9 The plan sponsor or the applicable conference will maintain records reflecting participant service and compensation and provide data relevant to plan administration to the General Board in a timely manner.
- 3.10 The plan sponsor will remit contributions to the General Board in a timely manner as required by UMPIP. Late contributions may require payment of investment earnings and fees as specified in UMPIP and applicable procedures.
- 3.11 The plan sponsor will limit before-tax contributions to UMPIP to the annual dollar limit under Internal Revenue Code (Code) section 402(g).
- 3.12 To the extent that the plan sponsor is a salary paying unit other than a Local Church and not a Qualified Church-Controlled Organization:
  - The plan sponsor is responsible for conducting any nondiscrimination testing required by Code Section 401(a)(4).
  - The plan sponsor is responsible for conducting any other nondiscrimination testing required by the Code.

**Part 4 – Effective Date**

The effective date of this agreement is \_\_\_\_\_. (Date must be the first of a month and no earlier than January 1 of the current year.)

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**Part 5 – Adoption**

The undersigned, on behalf of the local church or salary-paying unit named in Part 1.1, hereby declares a desire to sponsor UMPIP for clergy and hereby certifies that the appropriate governing board and/or officers have authorized sponsorship as of the effective date indicated in Part 4.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Print name of signatory \_\_\_\_\_ Title \_\_\_\_\_

Primary phone # (\_\_\_\_) \_\_\_\_\_

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**Part 6 – General Board Signatures**

The General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois, hereby accepts this adoption agreement submitted by the employer named in Part 1.1, and accepts that employer as one of the adopters and plan sponsors of UMPIP.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Please mail this completed form to the General Board of Pension and Health Benefits,  
1901 Chestnut Avenue, Glenview, Illinois 60025-1604. Be sure to keep a copy for your records.  
Or you may fax it to Retirement Services at **1-847-730-0490**.



## **Adoption Agreement for Local Church/Salary-Paying Unit Sponsorship of Clergy United Methodist Personal Investment Plan (UMPIP)**

This form is effective 2014 or later for local churches and other salary-paying units that elect to adopt UMPIP for their clergy.

### **Part I – General Information** *(Please print.)*

- 1.1 Name of plan sponsor \_\_\_\_\_
- 1.2 Organization type *(choose one)*:
  - Church
  - Conference
  - District Office
  - Other 501(c)(3) United Methodist Church related organization—attach a copy of the IRS 501(c)(3) determination letter or a letter from the General Council on Finance and Administration (GCFA) indicating your inclusion as a United Methodist 501(c)(3) organization *(choose one)*:
    - Qualified Church-Controlled Organization\*
    - Non-Qualified Church-Controlled Organization\*\*
- 1.3 Federal employer identification # \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Employer # \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_
- 1.4 Plan sponsor mailing address \_\_\_\_\_  
\_\_\_\_\_
- 1.5 Plan sponsor billing address, if different from mailing address \_\_\_\_\_  
\_\_\_\_\_
- 1.6 Plan sponsor telephone # ( \_\_\_\_\_ ) \_\_\_\_\_
- 1.7 Name and title of contact person(s) \_\_\_\_\_
- 1.8 Contact person(s) telephone # ( \_\_\_\_\_ ) \_\_\_\_\_
- 1.9 Contact person(s) e-mail address \_\_\_\_\_
- 1.10 Conference affiliation, if any \_\_\_\_\_

\* A “Qualified Church-Controlled Organization” (e.g., foundation, camp community center, counseling/rehabilitation center, etc.) is an organization which is controlled by, a part of, or affiliated with The United Methodist Church and which: a) does not offer goods, services or facilities for sale, other than on an incidental basis, to the general public, other than goods, services or facilities which are sold at a nominal charge which is substantially less than the cost of providing such goods, services or facilities, and b) does not normally receive more than 25% of its support from either: 1) governmental sources, or 2) receipts from admissions, sales of merchandise, performance of services or furnishing of facilities, in activities which are not unrelated trades or businesses, or both.

\*\* A “Non-Qualified Church-Controlled Organization” (e.g., a college, nursing home, hospital, retirement center) is a United Methodist-Affiliated organization that is not a Qualified Church-Controlled Organization.

## Part 2 – Participant Contributions

### 2.1 Eligibility

All clergy may make before-tax and/or after-tax contributions to UMPIP as soon as they begin to serve the local church/salary-paying unit adopting the plan and complete a *Before-Tax and After-Tax Contributions Agreement*.

**2.2 Automatic Enrollment for Participant Contributions.** A local church/salary-paying unit that remits both plan sponsor and participant contributions may choose to automatically enroll participants who fail to return a *Before-Tax and After-Tax Contributions Agreement/Automatic Enrollment Notice* in which they otherwise enroll or decline to participate. Note: This election must apply to all clergy covered under this adoption agreement. Please contact the General Board for a complete explanation of administrative requirements for automatic enrollment. (*choose one*)

- No automatic enrollment for participant contributions
- Automatic enrollment for participant contributions at (enter from 1% to 5%) \_\_\_\_\_% of compensation on a before-tax basis

## Part 3 – Plan Sponsor Contributions

### 3.1 Sponsorship and Remittance

- We will sponsor UMPIP for plan sponsor contributions and remit those contributions to the General Board
- We will not sponsor UMPIP for plan sponsor contributions (*skip to Part 4*)

### 3.2 Eligible Group and Type of Plan Sponsor Contributions

The plan sponsor will make contributions to the plan according to one or more of the following formulas [*indicate choice(s) below*]:

#### 3.2a Clergy appointed full-time

<input type="checkbox"/> <b>Matching</b> ( <i>choose one</i> )	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
<input type="checkbox"/> 50% up to 6% <sup>1</sup> (3% maximum)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater) if participant contributes at least _____% <sup>1</sup> (0–4%)	Plan sponsor reserves the right to contribute <sup>2</sup>
<input type="checkbox"/> 100% up to 6% <sup>1</sup> (6% maximum)			
<input type="checkbox"/> _____% (1% or greater) up to _____% <sup>1</sup> (1%–99%)			

#### 3.2b Clergy appointed to ANY less than full-time appointment

(*Note: If you make an election in 3.2b, skip to Part 3.3.*)

<input type="checkbox"/> <b>Matching</b> ( <i>choose one</i> )	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
<input type="checkbox"/> 50% up to 6% <sup>1</sup> (3% maximum)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater) if participant contributes at least _____% <sup>1</sup> (0–4%)	Plan sponsor reserves the right to contribute <sup>2</sup>
<input type="checkbox"/> 100% up to 6% <sup>1</sup> (6% maximum)			
<input type="checkbox"/> _____% (1% or greater) up to _____% <sup>1</sup> (1%–99%)			

<sup>1</sup> Percent of plan compensation (taxable cash compensation plus housing or parsonage value)

<sup>2</sup> The plan sponsor reserves the right to make a contribution by June 15 for the prior calendar year for all eligible participants. The amount, if any, must be declared by May 1 for the prior calendar year. (Specify contribution formula on *Discretionary Contribution Election Form* for clergy.)

3.2c  **Clergy appointed three-quarter time**

<input type="checkbox"/> <b>Matching</b> (choose one)	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
<input type="checkbox"/> 50% up to 6% <sup>1</sup> (3% maximum)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater) if participant contributes at least _____% <sup>1</sup> (0–4%)	Plan sponsor reserves the right to contribute <sup>2</sup>
<input type="checkbox"/> 100% up to 6% <sup>1</sup> (6% maximum)			
<input type="checkbox"/> _____% (1% or greater) up to _____% <sup>1</sup> (1%–99%)			

3.2d  **Clergy appointed half-time**

<input type="checkbox"/> <b>Matching</b> (choose one)	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
<input type="checkbox"/> 50% up to 6% <sup>1</sup> (3% maximum)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater) if participant contributes at least _____% <sup>1</sup> (0–4%)	Plan sponsor reserves the right to contribute <sup>2</sup>
<input type="checkbox"/> 100% up to 6% <sup>1</sup> (6% maximum)			
<input type="checkbox"/> _____% (1% or greater) up to _____% <sup>1</sup> (1%–99%)			

3.2e  **Clergy appointed one-quarter time**

<input type="checkbox"/> <b>Matching</b> (choose one)	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
<input type="checkbox"/> 50% up to 6% <sup>1</sup> (3% maximum)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater) if participant contributes at least _____% <sup>1</sup> (0–4%)	Plan sponsor reserves the right to contribute <sup>2</sup>
<input type="checkbox"/> 100% up to 6% <sup>1</sup> (6% maximum)			
<input type="checkbox"/> _____% (1% or greater) up to _____% <sup>1</sup> (1%–99%)			

3.2f  **Clergy appointed less than one-quarter time**

<input type="checkbox"/> <b>Matching</b> (choose one)	<input type="checkbox"/> <b>Non-Matching</b>	<input type="checkbox"/> <b>Conditional</b>	<input type="checkbox"/> <b>Discretionary</b>
<input type="checkbox"/> 50% up to 6% <sup>1</sup> (3% maximum)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater)	<input type="checkbox"/> _____% <sup>1</sup> (1% or greater) if participant contributes at least _____% <sup>1</sup> (0–4%)	Plan sponsor reserves the right to contribute <sup>2</sup>
<input type="checkbox"/> 100% up to 6% <sup>1</sup> (6% maximum)			
<input type="checkbox"/> _____% (1% or greater) up to _____% <sup>1</sup> (1%–99%)			

<sup>1</sup> Percent of plan compensation (taxable cash compensation plus housing or parsonage value)

<sup>2</sup> The plan sponsor reserves the right to make a contribution by June 15 for the prior calendar year for all eligible participants. The amount, if any, must be declared by May 1 for the prior calendar year. (Specify contribution formula on *Discretionary Contribution Election Form* for clergy.)

3.3 **Vesting.** Participant and plan sponsor contributions are immediately 100% vested.

## Part 4 – Plan Sponsor Acknowledgements

By executing this adoption agreement, the local church/salary-paying unit hereby acknowledges, understands and agrees that:

- 4.1 Upon acceptance of this adoption agreement by the General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois (General Board), the local church/salary-paying unit will become a plan sponsor for all of its clergy for participant contributions and for plan sponsor contributions as specified.
- 4.2 The plan sponsor will comply with UMPIP, as amended periodically, and the rules, regulations and procedures promulgated by the General Board, or its successors.
- 4.3 If UMPIP is amended in accordance with its amendment provisions, the General Board may (but need not) require the plan sponsor to execute a new adoption agreement.
- 4.4 Both the General Board and the General Conference of The United Methodist Church have the right to terminate UMPIP at any time in accordance with UMPIP provisions.
- 4.5 The General Board has the right to terminate the plan sponsor's sponsorship of UMPIP if the plan sponsor fails to satisfy its responsibilities under UMPIP.
- 4.6 In the event of any discrepancies between this adoption agreement and the UMPIP plan document, the plan document will control.
- 4.7 The plan sponsor may terminate its sponsorship of UMPIP as of a specified date after giving at least 90 days advance written notice to the General Board and at least 30 days written notice to its participants of its intent to terminate.
- 4.8 The plan sponsor will offer enrollment to clergy in UMPIP as of the effective date of appointment to the church/salary-paying unit.
- 4.9 The plan sponsor or the applicable conference will maintain records reflecting participant service and compensation and provide data relevant to plan administration to the General Board in a timely manner.
- 4.10 The plan sponsor will remit contributions to the General Board in a timely manner as required by UMPIP. Late contributions may require payment of investment earnings and fees as specified in UMPIP and applicable policies.
- 4.11 The plan sponsor will limit before-tax contributions to UMPIP to the annual dollar limit under Internal Revenue Code (Code) section 402(g).
- 4.12 To the extent that the plan sponsor is a salary-paying unit other than a local church and not a Qualified Church-Controlled Organization:
  - The plan sponsor is responsible for conducting any nondiscrimination testing required by Code Section 401(a)(4).
  - The plan sponsor is responsible for conducting any other nondiscrimination testing required by the Code.

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## Part 5 – Effective Date

- 5.1  **Initial Agreement.** The plan sponsor agrees to begin participating in UMPIP as of \_\_\_\_\_ 1, 20\_\_\_\_.  
(Date must be the first of a month but no earlier than January 1 of the current year.)
- 5.2  **Amendment of Agreement.** Amendments to the adoption agreement cannot decrease a participant's account balance/vested interest or eliminate a protected optional form distribution. The effective date of this amendment is \_\_\_\_\_ 1, 20\_\_\_\_. (Date must be the first of a month but no earlier than January 1 of the current year.)  
Amendments should be submitted at least 15 days prior to the beginning of the month in which they are effective.

**Part 6 – Adoption**

The undersigned, on behalf of the local church or salary-paying unit named in Part 1.1, hereby declares a desire to sponsor UMPIP for clergy and hereby certifies that the appropriate governing board and/or officers have authorized sponsorship as of the effective date indicated in Part 5.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Print name of signatory \_\_\_\_\_ Title \_\_\_\_\_

Primary phone # (\_\_\_\_) \_\_\_\_\_

**Part 7 – General Board Signatures**

The General Board of Pension and Health Benefits of The United Methodist Church, Incorporated in Illinois, hereby accepts this adoption agreement submitted by the local church/salary-paying unit named in Part 1.1, and accepts that organization as one of the adopters and plan sponsors of UMPIP.

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

Authorized signature \_\_\_\_\_ Date \_\_\_\_\_

<p>Please complete this form and send it by:</p> <ul style="list-style-type: none"> <li>• E-mail (scanned copy) to <b>retservices@gbophb.org</b> or</li> <li>• Fax to <b>1-847-730-0490</b> or</li> <li>• Mail to General Board of Pension and Health Benefits, Retirement Services Team 1901 Chestnut Ave., Glenview, IL 60025-1604</li> </ul> <p>Be sure to keep a copy for your records.</p>
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