

## Eligibility and Participation Schedule

With this Eligibility and Participation Schedule ("Schedule"), the \_\_\_\_\_ ("Organization") affirms the Servant Solutions Retirement Plan ("Plan") as the approved employer retirement plan of the Organization and sets forth the rules and procedures for the Organization's participation in the Plan. This Schedule and any separately documented practices and procedures adopted by the Organization (including employee handbook, organizational minutes and other related documents) accurately describe the Plan and the practice of the Organization with respect to such Plan, and are all incorporated by reference and made part of the Plan.

The initial effective date of these rules and procedures is \_\_\_\_\_, 20\_\_\_\_. These rules and procedures remain in effect until they are changed by the Organization.

Unless permitted under Internal Revenue Code (IRC) provisions and otherwise approved by the Organization, only employees who receive W-2 income are eligible to participate in the Plan.

### Rules and Procedures for Contribution and Eligibility

#### **Section 1 – Compensation**

**Checkmark all items to be considered as Compensation for purposes of determining Contributions to the Plan:**

Salary. Defined: "Salary" means the fixed salary or wages paid by the Organization to an employee, or self-employment income earned in the performance of ministry by a minister, including any contributions to a cafeteria plan under IRC Section 125. In the case of an employee who is a minister of the gospel, Salary also includes any housing allowance and, to the extent that such a minister is also furnished the free use of a residence, Salary also includes an additional 25 percent of the fixed Salary of the minister.

Other: \_\_\_\_\_

#### **Section 2 - Employee Contributions (from their own pay)**

**Checkmark the employees who will be eligible to make Participant Before-Tax Contributions and/or Participant After-Tax Contributions.**

NOTE: There are special rules that apply to non-QCCOs that limit their ability to restrict employees from making Participant Before-Tax Contributions. These employers must comply with the "universal availability" rule. Basically that means that all employees working 20 or more hours a week must be allowed to make Participant Before-Tax Contributions.

All Employees will be eligible.

**Or**

Only employees who meet the following service requirements below will be eligible:

Expected and/or regularly work \_\_\_\_\_ hours or more per \_\_\_\_\_ (week, month, year)

Other: \_\_\_\_\_

**Or**

Other: \_\_\_\_\_

**Checkmark when an eligible employee can begin participation in the Plan:**

- The first day the employee meets the Plan's above eligibility requirements
  - Other:
- 

**While employed with the Organization, an eligible employee may make the following types of Contributions to the Plan:**

- Participant Before-Tax Contributions
- Participant After-Tax Contributions

**Section 3 - Employer Contributions**

**Checkmark the employees who will be eligible to receive employer-provided Contributions to the Plan:**

NOTE: For Organizations that are Non-QCCOs, Employer contributions generally must not discriminate in favor of highly compensated employees. Annual testing by the employer's Human Resources Department and/or legal counsel may be required to avoid violation.

- All Employees will be eligible

**Or**

- Only Employees who meet the service requirements checked below will be eligible:

**Select all that apply:**

- Must be age \_\_\_\_\_ or older
- Must complete \_\_\_\_\_ months or more of service
  - Past church/church-related employers' service of new hires  will  will not be counted
  - Past service of former employees who are rehired  will  will not be counted
- Expected and/or regularly work \_\_\_\_\_ hours or more per \_\_\_\_\_ (week, month, year)
- Other: \_\_\_\_\_

**Checkmark the types of employer-paid Contributions that will be provided to eligible employees (as defined above):**

[Note: A non-matching fixed percentage equal to 11% of Salary is a typical (and recommended) employer-paid rate of contribution.]

- Non-matching Contributions (if applicable, select one of the following options):

- Fixed percentage equal to \_\_\_\_\_% of the employee's Compensation

- A percentage of the employee's Compensation based on the following years of service schedule:

| <u>COMPLETED YEARS OF SERVICE</u> | <u>PERCENTAGE OF Compensation</u> |
|-----------------------------------|-----------------------------------|
| Less than _____ Year(s)           | _____ %                           |
| _____ Year(s)                     | _____ %                           |
| _____ Year(s)                     | _____ %                           |
| _____ Year(s)                     | _____ %                           |
| _____ Year(s) or more             | _____ %                           |

- Other: \_\_\_\_\_

Matching Contributions (if applicable, select one of the following options):

- A matching contribution equal to the Participant's contribution, but not to exceed a maximum of \_\_\_\_\_% of Compensation. (ex. 10%)
- A matching contribution equal to \_\_\_\_\_% (ex. 75%) of the Participant's contribution, but not to exceed a maximum of \_\_\_\_\_% of Compensation. (ex. 10%)
- A matching Contribution based on years of service:  
Matching contribution of \_\_\_\_\_% of an employee's Compensation for each \_\_\_\_\_ years of service but no to exceed a maximum of \_\_\_\_\_% of Compensation (ex. 10%)
- Other: \_\_\_\_\_

**No additional requirements exist to receive Employer Contributions.**

**Rules and Procedures Execution**

By signing below, the Organization by its duly authorized officer or other representative hereby affirms the Servant Solutions Retirement Plan as the approved employer provided retirement plan of the Organization and agrees to the rules and procedures as indicated above. The Organization, by its duly authorized officer or representative has executed this document, on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Name of Organization: \_\_\_\_\_

Authorized officer or representative signature: \_\_\_\_\_

Printed name: \_\_\_\_\_

Title: \_\_\_\_\_

**This document should be completed and retained by the Organization, and updated whenever changes are made. Please do not send this document to Servant Solutions.**

Notes:

For clarity in understanding, the common terms of "Participant" and "Organization" are used in this document rather than the terms of "Member" and "Congregation" defined in the Servant Solutions Retirement Plan document.

Non-Qualified Church Controlled Organizations (colleges, universities, retirement homes, etc.) must comply with coverage and non-discrimination regulations related to their retirement plan(s). Consult with your legal advisor and visit [www.servantsolutions.org](http://www.servantsolutions.org) for more information.

Internal Revenue Code (IRC) contribution limits are typically generous for church plan participants. To assure IRC contribution limits are not exceeded, employers can review plan contribution limits in IRS publication 517. These limits are also described at [www.servantsolutions.org](http://www.servantsolutions.org).