

FORM 20: EMPLOYER ADOPTION AGREEMENT - RETIREMENT PLAN

Name of Employing Church or Organization: _____

Address of Employing Church or Organization: _____

Denomination Affiliation: ☐ Evangelical Free Church of America
☐ Other (please describe) _____

The above named employer hereby elects to participate in the Free Church Ministers' and Missionaries' (FCMM) Retirement Plan and agrees to remit to the Trustees of FCMM employer and/or salary deferral contributions for certain employees of the named church or organization.

- EmployER contributions may be remitted annually, semi-annually, quarterly, monthly, or per pay period.
- EmployEE salary deferral contributions must be made *at least monthly*.

The individual terms and conditions of this Adoption Agreement are incorporated by reference into the FCMM Retirement Plan and together are intended to satisfy the plan documentation requirements of section 403(b)(9) of the Internal Revenue Code and the Treasury regulations thereunder for this qualified employer. *The FCMM Plan must serve as the sole active retirement plan of the adopting employer.*

FCMM provides the Retirement Plan to eligible churches (including associations of churches, such as EFCA districts) and qualified church controlled organizations (QCCOs). A QCCO adopting employer must also submit Form 26 QCCO Certification for review and approval.

The FCMM Retirement Plan is an employer plan that receives contributions to participant accounts submitted by employers *only*. The amounts may include some or all of the following contribution types: employee salary deferral contributions (Pre-tax and Roth), employer matching contributions (pre-tax), and employer contributions (pre-tax). These contributions shall be limited by IRS Code sections 402(g) and 415(c) (see last page). *Once an employee becomes eligible to make salary deferral contributions to the Plan, the employee cannot later be excluded from making such contributions, even if work hours for the employer decrease.*

This agreement shall continue in force and effect until:

- FCMM receives a new Employer Adoption Agreement, which automatically supersedes the previous agreement on file; or
- A written notice of cancellation of this agreement is received by FCMM, specifying a date at least thirty days from the date of the notice in which Plan participation will cease; or
- Revocation by FCMM of the employer's qualified status/eligibility to participate in the Plan; or
- Termination of the FCMM Retirement Plan by FCMM.

Employer contributions for the named church or organization will be determined based on the information adopted for the Employer Contribution Classes detailed on the pages that follow. Contributions indicated as a percentage must be based on compensation. *FCMM defines **compensation** as consisting of the participant's salary plus housing allowance and any other amounts which are excludable from gross income under sections 125, 132(f), 402(e)(3), 402(h), 403(b), or 457(b) of the IRS Code.* Compensation may also, at the discretion of the employer, include additional taxable amounts paid to the Member (bonuses, allowances, etc.). See the FCMM Plan Document for more detailed information.

OPTIONAL: Terms Unique to this Adopting Employer (applies to Contribution Classes on following pages)



ESTABLISHING CONTRIBUTION CLASSES – COMPLETION OF ALL STEPS REQUIRED

Contribution Classes detail how the employer has agreed to contribute on behalf of its employees and must be followed in practice. The Plan allows employers to establish different contribution arrangements and eligibility criteria (ex. salary deferral only, matching, etc.) for different groups of employees (ex. All staff, part-time staff, pastoral staff, senior pastor, etc.).

STEP 1: Indicate who is eligible to contribute VOLUNTARY SALARY CONTRIBUTIONS

Complete STEP 1 for employees not eligible for an Employer or Employer Matching contribution arrangement. The FCMM Retirement Plan has established the default eligibility for participation (via voluntary employee salary contributions) as “20 hours per week, or 1000 hours per year, immediately upon employment”. Any criteria deviating from this Plan default must be explicitly indicated below.

☐ **READ ME:** Check this box and skip to STEP 2 if all employees are eligible for Employer and/or Employer Matching contribution arrangements.

Class # 1 Description: Any employee meeting the work hours and waiting period specified below is eligible to make voluntary salary deferral contributions through payroll deductions on a Pre-tax and/or Roth basis.

Check here if additional information appears in Terms Unique (p.1) ☐

ELIGIBLE CONTRIBUTION TYPE: Voluntary Salary Deferral Contributions (Includes Pre-Tax and Roth)

ELIGIBILITY

- ☐ **Plan Default:** All employees scheduled to work at least 20 hours/week or 1000 hours/year.
- ☐ Other (Overrides Plan Default): _____

WAITING PERIOD

- ☐ **Plan Default:** Immediately upon employment ☐ First day of month following month of hire
- ☐ First day of month after completing 3 months of employment. ☐ Other _____

VESTING

Contributions remitted to FCMM may not be subjected to vesting restrictions. FCMM contributions are 100% vested upon remittance.

STEP 2: Indicate who is eligible for EMPLOYER and/or EMPLOYER MATCHING CONTRIBUTIONS

Contribution arrangements in the Classes that follow are in addition to Voluntary Salary Deferral Contributions. Make copies of page 3 if needed.

☐ **READ ME:** Check this box and skip to STEP 3 if there are no Classes with an Employer or Employer Matching Contribution arrangement offered.

Class # _____ Description: _____

Check here if additional information appears in Terms Unique (p.1) ☐

ELIGIBLE CONTRIBUTION TYPE(S)

- ☐ **Employer Contribution** – Express as either a % or \$
- ☐ 10% ☐ 5% ☐ _____%
- ☐ \$ _____ Per Pay Period ☐ \$ _____ Monthly
- ☐ \$ _____ Quarterly ☐ \$ _____ Annually
- ☐ **Employer Match of Employee Contribution***
- ☐ Match 100% of employee contribution **up to 6%**
- ☐ Match 100% of employee contribution **up to 3%**
- ☐ Match 50% of employee contribution **up to 6%**
- ☐ Match _____% of employee contribution **up to _____%**
- ☐ Match _____% of employee contribution **up to \$ _____ annually.**

Frequency of Match Payment

- ☐ Per pay period ☐ Monthly

☐ **Employer Match above may apply to Qualified Student Loan Payments***

☐ **Employee Salary Deferral Contribution***

* Per IRS rules, employee contributions must be paid to the Plan at least monthly.

* Employer may elect to treat Qualified Student Loan Payments as salary deferral contributions for purposes of calculating employer matching contributions. For more information, see section 4.3(d) of the FCMM Plan Document.

ELIGIBILITY

- ☐ Employees scheduled to work at least 20 hours/week or 1000 hours/year **(Default)**
- ☐ Other: _____

WAITING PERIOD

- ☐ Immediate upon employment **(Default)**
- ☐ First day of month following month of hire
- ☐ First day of month after completing 3 months of employment
- ☐ Other: _____

VESTING

Contributions remitted to FCMM may not be subjected to vesting restrictions. FCMM contributions are 100% vested upon remittance.

STEP 2 (Continued): EMPLOYER and/or EMPLOYER MATCHING CONTRIBUTIONS

Class # _____ Description: _____

Check here if additional information appears in Terms Unique (p.1) ☐

ELIGIBLE CONTRIBUTION TYPE(S)

- ☐ **Employer Contribution** – Express as either a % or \$
- ☐ 10% ☐ 5% ☐ _____%
 - ☐ \$_____ Per Pay Period ☐ \$_____ Monthly
 - ☐ \$_____ Quarterly ☐ \$_____ Annually
- ☐ **Employer Match of Employee Contribution***
- ☐ Match 100% of employee contribution **up to 6%**
 - ☐ Match 100% of employee contribution **up to 3%**
 - ☐ Match 50% of employee contribution **up to 6%**
 - ☐ Match _____% of employee contribution **up to _____%**
 - ☐ Match _____% of employee contribution **up to \$_____ annually.**

Frequency of Match Payment

- ☐ Per pay period ☐ Monthly

☐ **Employer Match above may apply to Qualified Student Loan Payments***

☐ **Employee Salary Deferral Contribution***

* Per IRS rules, employee contributions must be paid to the Plan *at least monthly*.

* Employer may elect to treat Qualified Student Loan Payments as *salary deferral contributions* for purposes of calculating employer matching contributions. For more information, see section 4.3(d) of the FCMM Plan Document.

ELIGIBILITY

- ☐ Employees scheduled to work at least 20 hours/week or 1000 hours/year **(Default)**
- ☐ Other: _____

WAITING PERIOD

- ☐ Immediate upon employment **(Default)**
- ☐ First day of month following month of hire
- ☐ First day of month after completing 3 months of employment
- ☐ Other: _____

VESTING

Contributions remitted to FCMM may not be subjected to vesting restrictions. FCMM contributions are 100% vested upon remittance.

Class # _____ Description: _____

Check here if additional information appears in Terms Unique (p.1) ☐

ELIGIBLE CONTRIBUTION TYPE(S)

- ☐ **Employer Contribution** – Express as either a % or \$
- ☐ 10% ☐ 5% ☐ _____%
 - ☐ \$_____ Per Pay Period ☐ \$_____ Monthly
 - ☐ \$_____ Quarterly ☐ \$_____ Annually
- ☐ **Employer Match of Employee Contribution***
- ☐ Match 100% of employee contribution **up to 6%**
 - ☐ Match 100% of employee contribution **up to 3%**
 - ☐ Match 50% of employee contribution **up to 6%**
 - ☐ Match _____% of employee contribution **up to _____%**
 - ☐ Match _____% of employee contribution **up to \$_____ annually.**

Frequency of Match Payment

- ☐ Per pay period ☐ Monthly

☐ **Employer Match above may apply to Qualified Student Loan Payments***

☐ **Employee Salary Deferral Contribution***

* Per IRS rules, employee contributions must be paid to the Plan *at least monthly*.

* Employer may elect to treat Qualified Student Loan Payments as *salary deferral contributions* for purposes of calculating employer matching contributions. For more information, see section 4.3(d) of the FCMM Plan Document.

ELIGIBILITY

- ☐ Employees scheduled to work at least 20 hours/week or 1000 hours/year **(Default)**
- ☐ Other: _____

WAITING PERIOD

- ☐ Immediate upon employment **(Default)**
- ☐ First day of month following month of hire
- ☐ First day of month after completing 3 months of employment
- ☐ Other: _____

VESTING

Contributions remitted to FCMM may not be subjected to vesting restrictions. FCMM contributions are 100% vested upon remittance.

STEP 3: Acknowledge Employer Responsibilities and Terms of its Participation in the Plan

The adopting church or employing organization listed below, by executing this Adoption Agreement, hereby agrees to the terms, provisions, and conditions of the Plan, as it may be amended from time to time, and as supplemented by this Adoption Agreement.

It is agreed the Plan will be amended only by the Trustees of FCMM. However, the adopting church or employing organization may from time to time change the options available to it under the Adoption Agreement, including the right to change the provisions of this Agreement as they relate to future employer contributions. Any such change must be reported by filing an amended Adoption Agreement.

The adopting church or employing organization agrees to:

1. Monitor the calendar year contribution limits for all Employer contributions, salary deferral contributions, and age-based catch-up contributions. Contact FCMM for more information on these limits.
2. Inform its employees of the annual contribution limits and submit completed Salary Deferral Agreements for its employees to FCMM.
3. Calculate each Member's employer and employee contributions *using the Plan's definition of Compensation*, including, if applicable, additional taxable amounts paid to the Member that the adopting church/employing organization chooses to treat as Compensation.
4. Utilize the FCMM Retirement Plan as the sole active retirement plan of the employer, unless fitting an approved exception.
5. Follow the Operational Compliance Checklist found in Form 21-FCMM Employer Guide.
6. Remit salary deferral contributions to FCMM within a reasonable time for the proper administration of the plan. An example of a reasonable time is fifteen (15) business days following the month in which contributions are withheld from an employee's paycheck. The adopting church or employing organization understands it must remit contributions within the required time periods prescribed by law.
7. Treat an eligible employee's Qualified Student Loan Payments as salary deferral contributions for purposes of calculating employer matching contributions if an election to do so has been made within the respective contribution Class. The employer will operate in compliance with Section 110 of the SECURE 2.0 Act of 2022 and with guidance issued by the IRS and Treasury, including the requirement for employees to certify to the employer student loan payments have been made. (See Form 21-FCMM Employer Guide for additional information.)
8. Provide certain personnel information to FCMM upon an employee's termination of employment, retirement, death or disability. FCMM may request other information from the adopting employing organization at any time and for any reason in order to properly administer the Plan. The adopting church or employing organization agrees to cooperate with any information request from FCMM.
9. Notify all employees of their eligibility to participate in the FCMM Retirement Plan.
10. Keep a copy of this Adoption Agreement on file at the employer's location.
11. Submit a new Employer Adoption Agreement to FCMM any time there are changes in contribution arrangements or eligibility.
12. Make the Summary Plan Description (Form 38) available to all FCMM plan participants as a reference when questions arise about their 403(b) accounts.
13. Recognize FCMM as the employer's agent for all matters involving this Plan and its participants.

The sponsoring employer, _____, located in _____,
Name of Employing Church or Organization City, State

agrees to follow all terms and conditions of the FCMM Retirement Plan, including the responsibilities assigned to the employer for compliant administration of the Plan. It acknowledges errors made by the employer may result in the assessment of FCMM correction fees and/or IRS fines.

Effective Start Date of this Agreement (Back-dating is not allowed): _____

Signature Church/Employer Official: _____ Today's Date: _____

PRINT Name & Official Position of Signer: _____

! REQUIRED*: _____

Name, phone, AND email of person within your organization who will be administering the retirement plan.

***See also the included Form 28 to add or update an authorized employer contact(s) for your organization.**

FCMM USE ONLY		
_____ Org. ID	_____ Approved	_____ Processed



STEP 4: Submit Employer Adoption Agreement to FCMM for Approval

Submit this completed form to FCMM using one of the methods below, preferably using our *secure file exchange*.

Secure File Exchange:

<https://fcmmbenefits.leapfile.net>

Mail:

FCMM Benefits & Retirement
901 East 78th Street
Minneapolis, MN 55420

NOTE: All participants must complete enrollment forms specifying their personal investment choices.

1. Enrollment Application (Form 01) – required of all participants.

This form has a section for both the employee and the employer to complete. On it, the employer specifies the employee class to which the participant belongs. An employer or church official's signature is required on this form.

2. Beneficiary Designation (Form 02) – required of all participants.

This form specifies who inherits the account upon death of the account holder.

3. Investment Selection Form (Form 03) – required of all participants.

This form indicates where contributions made on behalf of the employee will be invested. On this form, the employee specifies investment choices and can agree to a voluntary salary deferral contribution from his or her paycheck.

4. Supplemental Investment Selection Forms (Forms 04, 05, 06, and 07) – required for those investing in the Self-Directed Mutual Funds or the Adjustable Rate Investment through CIF.

- American Funds (Option F), complete Form 04
- Vanguard Funds (Option G), complete Form 05
- Adjustable Rate Investment through Christian Investors Financial (Option H), complete Form 06.
- Biblically Responsible Funds (Option J), complete Form 07

IRS CODE SECTIONS 402(G) AND 415(C) CONTRIBUTION LIMITS

The IRS limits the amounts that can be contributed to retirement plans annually.

- The **overall limit** [415(c)] is the total of employer and employee salary deferral contributions. *One's personal limit is capped at the lesser of the IRS stated dollar amount or his/her includible compensation (excludes housing allowance).*
- The employee **salary deferral limit** [402(g)] covers all pre-tax and Roth deferrals to all 403(b) and 401(k) plans.
- The **age 50 catch-up limit** [414(v)] allows Members who turn age 50 or older during the calendar year to make additional deferral contributions up to the catch-up limit.

For current year information, please visit the homepage of the FCMM website (www.fcmmbenefits.org)

The FCMM Summary Plan Description is available at www.fcmmbenefits.org and should be made available to all FCMM plan participants as a reference when questions arise about their 403(b) accounts.

A copy of this form *must be kept at your location* for your records and sent to FCMM.

FORM 28 – DESIGNATION/REVOCATION OF EMPLOYER AUTHORIZED CONTACT

Use this form to authorize FCMM to discuss your organization's account with specific staff OR to stop an authorization.

Organization Name: _____ Org #/Church ID: _____

(If unknown, contact FCMM)

Organization Address: _____

Street

City

State

Zip Code

1) _____ **Authorized to Access:**

Employer Authorized Contact Name _____ ☐ Full Access: all applicable Retirement Plan & Benefit Plan account information

_____ ☐ Partial Access (check all that apply):

Job Title _____ ☐ Retirement Contributions & Remittances ☐ Benefit Quarterly Invoices

_____ ☐ Retirement Employer Forms ☐ Benefit Employer Forms

Email Address _____ ☐ Retirement Employee Enrollments ☐ Benefit Employee Enrollments

_____ ☐ Retirement Employee Terminations ☐ Benefit Employee Terminations

Phone Number _____ ☐ Retirement Employee Update Forms ☐ Benefit Employee Salary Update

_____ ☐ Retirement Employee Contact Updates ☐ Benefit Employee Contact Update

Effective Date: ____ / ____ / ____ ☐ Cancel all authorized access ☐ Other: _____

2) _____ **Authorized to Access:**

Employer Authorized Contact Name _____ ☐ Full Access: all applicable Retirement Plan & Benefit Plan account information

_____ ☐ Partial Access (check all that apply):

Job Title _____ ☐ Retirement Contributions & Remittances ☐ Benefit Quarterly Invoices

_____ ☐ Retirement Employer Forms ☐ Benefit Employer Forms

Email Address _____ ☐ Retirement Employee Enrollments ☐ Benefit Employee Enrollments

_____ ☐ Retirement Employee Terminations ☐ Benefit Employee Terminations

Phone Number _____ ☐ Retirement Employee Update Forms ☐ Benefit Employee Salary Update

_____ ☐ Retirement Employee Contact Updates ☐ Benefit Employee Contact Update

Effective Date: ____ / ____ / ____ ☐ Cancel all authorized access ☐ Other: _____

On behalf of the organization listed above, I authorize FCMM to disclose the Plan information selected above to the individual(s) listed above. I understand as a result of this authorization, FCMM may rely on direction from the individual(s) listed above regarding respective FCMM related matters. FCMM shall take reasonable steps to ensure Plan information is only disclosed to persons authorized to receive such information, and shall not be held liable for information shared with unauthorized persons in good faith. Authorized contacts will remain in effect until an employer-authorized representative revokes or adds privileges by submitting a new form. **NOTE: The person signing this form will not have access to plan information unless listed as an Authorized Contact on this form.**

Employer Representative Name: _____ Email Address: _____

Signature: _____ Date: ____ / ____ / ____

Please submit this completed form to FCMM using one of the methods below, preferably via the **secure file exchange**.

Mail:
 FCMM Benefits & Retirement
 901 East 78th
 Street, Minneapolis, MN 55420

Secure File Exchange:
<https://fcmmbenefits.leapfile.net/>

A copy of FCMM's Privacy Notice can be found at fcmmbenefits.org

For FCMM Office use only

Org. #: _____ Received Date: _____ Processed by: _____