Payroll Services

Payroll Processing: done online with the support of our payroll partner, Alerus.
- FCMM's Payroll Service is offered as a bundle with our Benefit Plan (Long Term Disability, Life/AD&D Insurance). The payroll service requires participation in one of the offered life insurance volumes. The Payroll Service does NOT require participation in FCMM's 403(b)(9) Retirement Plan. Remittance of contributions to other retirement plan providers is available for an additional fee.
- Payment of the cost of the payroll services is done per payroll through ACH/EFT from the church or organization account, administered by Alerus Payroll Services.
- All required federal and state tax filings are included.
- The included pay method is by direct deposit. Physical pay checks are available for a small additional fee. Employees can split direct deposits into as many as 4 different accounts, savings or checking.
- Payroll is initiated each payroll period from the individual responsible for payroll processing at your church or organization. Your payroll representative will be available for questions or assistance when needed.
- Payroll reporting capabilities are included.
- Payroll Service pricing INCLUDES Long Term Disability insurance premiums for employees working 25+ hours per week.
- Retirement contribution submittals will occur at no extra cost via ACH/EFT for a church participating in the FCMM Retirement Plan. Remittance reports detailing type and amount of contribution(s) will be automatically sent to FCMM by the payroll service.
- Available for 24, or 26 payroll periods annually per employer’s choice.
- Benefit deductions such as medical, dental, dependent care, medical reimbursement (FSA), employee retirement deferrals, Health Savings Accounts, etc. can be administered through the plan.
- A dedicated payroll service implementation professional and an FCMM church payroll subject matter expert will guide you through the implementation process. The payroll system is Evolution, an intuitive interface, simplifying the payroll implementation and ongoing payroll processing. Each church may decide if they wish to directly access the system or to rely on a dedicated representative to process each payroll after submitting hours worked.
- FCMM will assist and collaborate with you and Alerus Payroll to remedy any omissions or errors.

Insurance Benefits Bundled with Payroll Services: “Tax Choice”

Administered via PR deduction to employees working 25 hours+ per week, premiums INCLUDED in payroll fees.

UNUM Group Term Life & Accidental Death & Dismemberment:
3 options with Payroll Service- Guaranteed Issue - Must Choose One:
1. $10,000 or $36 per covered person/ per year available as a payroll deduction or church paid benefit
2. $50,000 for $180 per covered person/ per year available as a payroll deduction or church paid benefit
3. One Times Annual Salary at $.30 per $1000 of coverage for Payroll churches not previously enrolled in FCMM LTD stand alone coverage (per insurance carrier rules). Available as a voluntary or church paid benefit.

UNUM Group Long Term Disability: Plan pays 60% of monthly earnings to a maximum benefit of $8,500 per month (Optional) Worker’s Compensation Insurance – available from a national broker for all states with the exception of Alaska. This option eliminates an upfront estimated premium invoice and lowers the risk of audit surprises, premiums paid on a per-payroll basis. (Billed separately from Alerus payroll.)

* This is not a contract or full summary of benefits. Please contact FCMM for a complete contract & full policy details
## FCMM Payroll Services Fees

<table>
<thead>
<tr>
<th>Annual Gross Earnings**</th>
<th>Rate (% of Gross Earnings)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $150,000</td>
<td>1.75%, minimum charge of $80 per payroll</td>
</tr>
<tr>
<td>$151,000 - $299,000</td>
<td>1.5%</td>
</tr>
<tr>
<td>$300,000 - $449,000</td>
<td>1.25%</td>
</tr>
<tr>
<td>$450,000 - $749,000</td>
<td>1.10%</td>
</tr>
<tr>
<td>$750,000 and up</td>
<td>Please Call</td>
</tr>
</tbody>
</table>

li Addition, there is a one-time implementation fee of $100.

** Gross Earnings is defined as all earnings, (including housing allowance, fair rental value of a parsonage, bonus, benefit premiums, etc.) process through the payroll system, not including employer retirement contributions.

### Notes:
- The fee rate for the payroll services **includes** long term disability insurance premiums. If the long term disability insurance plan was purchased separately the cost would be figured according to the following calculation:

  "Pastor Fred Smith’s” Annual Salary and Housing Allowance: $80,000 x .008= **$640** (annual cost of Fred’s LTD insurance

- The payroll-bundled LTD insurance is administered as a “Tax Choice” benefit. This means the employer adds the LTD plan premium (.0080 multiplied by the employee’s annual salary prorated per pay period) to the gross pay of each eligible employee. The net cost to the employee is a small tax on the premium. The Tax Choice option of administration allows the employee to receive the disability benefit as **non-taxable income** in the event of a claim.

### Required Agreements, Plan documents and Information
- Payroll information sharing authorization is required so that FCMM can administer the Long Term Disability and Life insurance programs effectively.
- Support of FCMM staff to begin and/or maintain retirement and LTD/Life benefits programs will be provided. (LTD and Life Insurance and Retirement Adoption Agreements)
- Support of FCMM staff will be provided to enroll participants, distribute funds, rollovers, roll-ins, retirements, disability claims, etc.

### Payroll Service Quote Process

Email benefits@fcmmmbenefits.org or call 1-800-955-5357 and ask for information on FCMM's Payroll Service.

For a detailed quote, please be ready to provide the GROSS annual salaries (including housing allowance and employee taxable income) of all employees. Also needed is the gross annual salaries (including housing allowance and employee taxable income) of employees working 25 hours a week or more.

### Payroll Service Implementation

A Payroll Service Agreement is distributed to churches in the final decision making process. Once the agreement is signed and returned, the implementation process should begin approximately 4 weeks prior to the first pay date.

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11/2019