

# Enrolling Employees in Lay Pensions

## In the Diocese of Fond du Lac

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*The following procedures have been compiled by the Diocesan Office and are consistent with the Lay Pension Policy of the Diocese of Fond du Lac. This document includes a number of web-links to connect to reference material when viewed on your computer. For an overview of the Lay Pension System from the Church Pension Fund, click [here](#).*

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Over the past 30 years, various General Convention resolutions called on employers to provide pension benefits to lay employees. However, many lay employees who worked for the church for many decades, were still not provided pension benefits. The 76th General Convention (2009) instituted a canon requiring pension plans to assure adequate benefits for certain Church lay employees. While cost concerns of such requirements of congregations are real, the need to provide lay employees adequate benefits is real too. With this change, lay employees will be assured of a pension benefit at retirement.

### **Who is eligible?**

All lay employees working for the church are eligible to participate in a lay pension plan offered through the Church Pension Fund (CPF). Required participation depends on the amount of time worked:

- Lay employees working at least half-time (salaried or 1,000 hours per year) are required to participate with church employers required to make minimum contributions.
- Lay employees working less than half-time are not required but are able to participate. Church employers are not required but are able to make contributions.

### **How Congregations Enroll Lay Employees**

1. If a congregation currently has a Lay Pension Adoption Agreement with CPF, skip to step 5.
2. Select the type of plan to offer. Only one type of plan can be selected for all lay employees.
  - Compare Lay Pension Plans [here](#).
  - The standard plan under diocesan policy is the Defined Contribution Plan (DC). The DC plan is a 403(b) plan similar to a 401(k) where contributions build up value over time to be tapped into after retirement.
    - DC Employer Guide [here](#).
    - DC Plan Highlights [here](#).
  - The option of a Defined Benefit Plan (DB) is available, but can only be offered with the Bishop's written permission. The DB plan uses contributions and years of service to provide a fixed retirement benefit until a retiree dies.
    - DB Plan Guide [here](#).

3. Enroll the congregation in the plan by completing an employer Adoption Agreement.
  - DC Adoption Agreement [here](#).
    - The employer base contribution is 5% of compensation.
    - The employee may make contributions which are matched by the employer up to an additional 4%. NOTE: If an employee makes contributions, they should be on a pre-tax basis. Contact the Diocesan Office if assistance is needed in setting this up.
    - The employer may make additional discretionary contributions above these minimums as long as they apply to all eligible lay employees.
  - DB Adoption Agreement must [contact](#) CPF through [cpg.org](#).
    - The employer contribution is 9% of compensation.
    - The employee may not make contributions. They are not allowed by the plan design.
4. Return signed and completed form to CPF. You will receive confirmation of their receipt.
  - Fax completed forms to (212) 592-4234 or,
  - Scan and email completed forms to [layplans@cpg.org](mailto:layplans@cpg.org).

Once confirmation has been made of the employer's participation in the plan, you are able to enroll lay employees.

5. Enroll Lay Employees in the plan by downloading and completing enrollment forms for each eligible lay employee.
  - DC Employee [Application](#). After an employee is enrolled, they will be able to visit the plan website and select their investment options. They will also receive beneficiary forms.
  - DB Employee [Application](#). After an employee is enrolled, they will receive beneficiary forms.

Once you have received a confirmation of the employee's enrollment, you are able to begin making contributions.

6. Make contributions by sending payments with forms provided by CPF.

If any clarification is needed or you have additional questions, please contact the Diocesan Office at (920) 830-8866 for assistance.