

BENEFITS OF THE EVANGELICAL COVENANT CHURCH ASSOCIATIONAL PLAN

GuideStone® has the experience and expertise to meet the unique retirement planning needs of Evangelical Covenant Churches and institutions. Our specialized retirement plan programs — including 403(b)(9) church retirement plans and minister's housing allowance designations — allow us to fully serve your organization. You and your staff can rely on our in-depth knowledge of ministerial tax issues for guidance along the way.

By participating in the Evangelical Covenant Church associational plan, your church will be able to take advantage of the following benefits:

+ PLAN DOCUMENTATION

With an associational plan, all churches and ministries within that association are included in one overarching plan document. Therefore, each church does not need to establish their own plan document. There is no cost to the church to participate in the associational plan — and there is no minimum number of employees required to do so.

example, ministers will receive their required 12.5% employer contribution and the church can autonomously choose different employer amounts for other levels of employees.

Once again, employer contributions are encouraged for non-ministerial staff but not required. There is also no minimum employee contribution required; each employee can elect the amount they want to contribute to their 403(b)(9) retirement plan (within IRS limits).

+ BENEFITS OF A 403(b)(9) CHURCH RETIREMENT PLAN

- There are no required ERISA filings associated with this type of plan.
- Participating churches are not subject to nondiscrimination testing.

+ MINISTRY-SPECIFIC BENEFITS

Employees who are licensed, commissioned or ordained may be able to claim up to 100% of their retirement distribution as housing allowance. This is a significant tax benefit for these individuals.

GuideStone has specialists dedicated to processing participant rollovers, answering housing allowance questions and providing complimentary resources designed specifically for ministerial staff.

+ PLAN ESTABLISHMENT

There are global provisions established at the plan level — vesting, withdrawal provisions, etc. — and each church in the associational plan will need to adopt the plan provisions of the associational plan document.

+ EMPLOYER/EMPLOYEE CONTRIBUTIONS

GuideStone offers flexibility in allowing each ECC church to determine employee eligibility and timing of contributions to the plan. **The ECC leadership does require each church to provide an employer contribution for credentialed ministers of at least 12.5%** (based upon ECC plan rules, this 12.5% contribution is either mandatory for the GuideStone 403(b)(9) or the ECC Covenant Pension Plan). Industry standards recommend that a participant contribute 10% to 15% of his or her annual compensation toward retirement, which may include both the employer and employee amount. Therefore, we also recommend that **employees contribute an additional 2.5% to 5%** as they work toward the industry standard goal of 15%.

Each church can establish different classifications of employees to receive various levels of employer contributions. For



To learn more or to enroll

in an associational plan, contact GuideStone at **1-888-98-GUIDE** (1-888-984-8433) and tell the customer solutions specialist the name of your association. Specialists are available to assist participants Monday through Friday, 7 a.m. to 6 p.m. CST.