

African Methodist Episcopal (AME) Church FAQs

Plan Details

Q1: What is the retirement plan Wespath offers AME Church participants?

A1: The New Life Personal Investment Plan (New Life PIP) is a 403 (b)-9 defined contribution (DC) retirement plan under the Internal Revenue Code. It is an employer sponsored plan, not an individual plan (such as an IRA).

Q2: Who is eligible?

A2: All AME Church clergy and some lay employees are eligible.

Q3: When will the plan become available?

A3: The plan launched November 1, 2022.

Q4: When do participants become vested in the plan?

A4: Participants are immediately 100% vested in the New Life PIP.

Q5: What resources will be available for AME Church participants?

A5: All AME Church participants can manage their retirement account at Benefits Access (benefitsaccess.org), which provides up-to-date account information, statements, retirement benefits projection tools, essential tax forms and much more.

Active participants and surviving spouses with account balances—and retired and terminated participants with account balances of at least \$10,000 – will have access to EY Financial Planning Services for support with financial decision-making beginning January 2023. And all participants can reach Wespath representatives for questions about the plan and/or using Benefits Access.

Q6: Who is the official plan sponsor(s) of the AME New Life PIP?

A6: The AME Connectional Church is the plan sponsor.

Retirement Assets

Q1: What about the AME Church clergy funds held by the AME Church Department of Retirement Services (DRS)?

A1: The AME Church Department of Retirement Services began holding plan contributions in escrow beginning in June 28, 2021 through July 27, 2022. Participants should confirm these amounts in Benefits Access.

Q2: My contributions that were held in escrow don't look correct: what should I do?

A2: Please contact your Episcopal District Office with questions about your contributions held in escrow.

Q3: Why aren't my contributions showing up in Benefits Access?

A3: Some churches opted not to send their contributions to the DRS, so their participants will not have an initial opening balance on the Wespath recordkeeping system.

Q4: When will July 28, 2022 through October 31, 2022 contributions collected by the DRS be deposited into participants' New Life PIP account?

A4: In November 2022.

Q5: What about the plan assets prior to October 2021?

A5: Wespath is not involved with any AME Church historical retirement plan assets dating prior to October 2021. We are sensitive to the loss of assets that many AME Church clergy have endured with their prior retirement plan—however, Wespath has no connection to any pending litigation related to the AME Church's prior plan. Wespath's relationship with the AME Church is a fresh starting point for them—focused on securing a stronger financial future for their clergy.

Retirement Account Investments

Q1: How are AME Church participant accounts invested?

A1: By default, all AME Church participant account investments are managed through Wespath's LifeStage Investment Management service. This service automates the investment of participant accounts based on their risk tolerance and other key information. The risk tolerance is automatically set to "moderate" – this can be changed easily in Benefits Access.

Q2: What if an AME Church participant wants to self-manage their account?

A2: Participants can elect to self-manage their account in Benefits Access.

Plan Contributions

Q1: How are plan contributions determined?

A1: According to *The Doctrines and Discipline of the African Methodist Episcopal Church*.

Q2: What's the difference between non-matching and discretionary contributions?

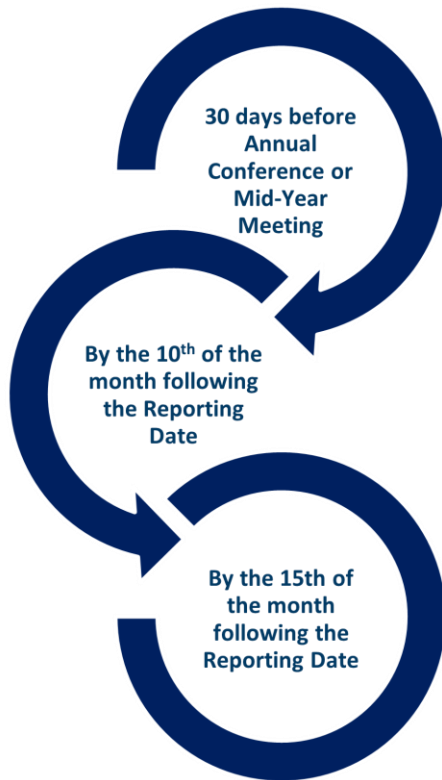
A2: These contributions are defined as follows:

- **Non-matching:** 12% of participant's annual compensation per year with a minimum of \$624 per year, as provided by the Annual Conferences.
- **Discretionary:** annual contribution from the General Conference that is determined each year and distributed among active clergy accounts.

Q3: Who is sending Wespeth the contributions?

A3: The contributions process depends on the contribution type. The diagram below outlines the non-matching contributions process. Discretionary Contributions will be posted by December 31 of each year.

Non-Matching Contribution Process



The Local Church will:

- Send contribution amounts to the Episcopal District (or Presiding Elder based on the Bishop’s guidance)
- Submit payment to the Episcopal District Bank Account by the end of the month

The Episcopal District will:

- Reconcile contribution amounts and funds received
- Upload contribution amounts to Wespeth system
- Schedule and complete fund transfer

The Participant may view the contributions.

Q4: Will AME Department of Retirement Services be enrolled into Contribution Management?

A4: Yes, AME DRS will be enrolled in Contribution Management for the process of uploading data and funds for Discretionary Contributions. The Episcopal Districts will also be enrolled in Contribution Management for transmitting data and funds for Non-Matching Contributions.

Q5: Can a participant contribute to the plan?

A5: Participant personal contributions will be accepted beginning in January 2023. AME Church participants should contact their District Representative regarding the process for personal contributions.

Distributions

Q1: When can participants take distributions?

A1: Distributions from New Life PIP are available upon termination of employment, retirement, disability or death. Participants can choose from the following options:

- LifeStage Retirement Income—a distribution management service that uses your New Life PIP account balance to create monthly retirement income payments designed to last for your lifetime. [Click here](#) for information.
- Cash installments
- Partial distributions
- Single lump sum distribution

Q2: Can participants take hardship loans or hardship withdrawals?

A2: No. These types of distributions are from participant contributions only, and for New Life PIP there are currently no participant contributions.

Other Issues

Q1: Who enters the Clergy appointments in Benefits Access for plan sponsors (BAP)?

A1: On day one of New Life PIP, all AME Church participant data will have been uploaded to the Benefits Access portal. For new Clergy appointments, the Episcopal District Representatives are responsible for sending the enrollment form to the new Clergy within 30 days of appointment. The District Representative will work with the DRS to enroll the participant in the plan. The participant will then need to go into benefitsaccess.org to register.

Q2: Will the AME Church be using the Wespath documents for enrollments and contributions updates?

A2: Yes, for the short term. Wespath has customized several of our forms for the AME Church, the [Information Change form](#) and the [Plan Enrollment form](#). From November 4 through the 18, AME Church participants who are not enrolled can go through the Google forms process available from the Department of Retirement Services.

Q3: Who do we refer participants to if the information has not been updated in BAP?

A3: They should speak to their District Representative. [Click here](#) for the list of District Representatives and their email addresses.