



“From Where I Sit ...”

How Do I Get My Money (from the CME Retirement Plan)!

As I travel across the Connection, I often encounter ministers who inform me that they will retire within a few coming months and would like to know what they must do to receive their money from the CME Retirement Plan. After a few indepth conversations, it became apparent to me that some misconceptions about procedures needed to be clarified.

The first misconception is the belief that because an annual conference has retired a minister that action alone should initiate the process for that minister to receive the money in his/her retirement account. The truth is that the process is two-fold and each step is independent of the other: 1) A person or minister does have to retire to be eligible to receive his/her retirement funds as a retiree and 2) because the retirement account belongs to the individual person or minister, only that person can authorize the initiation of the process to receive his or her retirement funds. Although we may be notified by a Bishop or other conference official that a minister has retired or we may have even witnessed the retirement vote or service for retirement for a minister, only the minister may notify us to request the receipt of the money in his/her retirement account. By law, the Retirement Plan must hold funds in “trust” for the minister (as a participant in the Plan) and the Plan is bound by certain procedural requirements.

The second misconception is that disbursements of retirement benefits are made monthly. Although it has always been noted on each annual statement of a participant’s retirement account that disbursements are made in March, July and December, few participants notice or remember these dates as the occasion of their retirement draws near. The purpose of these dates is to maximize the period in which the Plan may keep the greater portion of the portfolio under investment thereby benefiting all of the participants. Unscheduled withdrawals could have adverse implications on investment strategies.

The third misconception is that the notice or request for funds to be disbursed should be an extensive document. The notice or request for funds to be disbursed need only include the name, address, name of region and account number (if available) of the participant along with a statement indicating an intent to retire (month and year) or a statement indicating having already retired. The statement should also include a request to receive the funds in the participant’s retirement account. It is not necessary, but we will accept and file as additional information in the participant’s record, historical data such as the dates and locations of the issuance of license to preach, ordination as a deacon, ordination as an elder, admission into full connection, high school, college and seminary graduation dates, along with churches served. The notice or request for funds to be disbursed should be sent to the General Board of Personnel Services and may be mailed, faxed or e-mailed to the General Secretary.

When the notice or request for funds to be disbursed is received, an acknowledgement letter is sent to the participant along with two documents. One document is informational but the second document (Request for Distribution of Benefits) must be completed and returned. The Request for Distribution of Benefits will indicate whether the disbursement will be paid to the participant or rolled over into a qualifying account. If the disbursement is paid to the participant,



20% will be withheld and forwarded to the Internal Revenue Service to be applied against the participant's income tax. The participant will receive an IRS 1099-R Form in January of the following year.

Finally all requests for disbursements require the verification of the Presiding Bishop. This is a written document where the Bishop's certification affirms that the participant has met and completed all of the requirements necessary to retire according to the Discipline of the CME Church.

When the participant's completed Request for Distribution of Benefits form and the Verification Form from the Presiding Bishop have been received, the request is put in line to be processed during the next distribution period (either March, July, or December). Completed documents must be received by the 10th of the month of distribution to insure timely payment.

Procedural or informational questions may be directed to the General Board of Personnel Services by calling (901) 345-4100. Perhaps this article will help to streamline the process for participants to get their money as they plan for a forthcoming retirement. It may also help the Bishops of the Church or other church officials to assist our ministers and full-time lay employees who participate in the CME Retirement Plan and Trust. Or at least that is the way it looks to me ...

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(Copies of earlier articles may be found on the Personnel Services Webpage of the CME Website at www.c-m-e.org)