



"From Where I Sit ..."

Steps to Receive Your CME Retirement Benefits!

HAPPY NEW YEAR!

Continuing the series about Retirement, this article focuses on the steps necessary to receive CME Retirement Benefits. Let me begin by stating that the CME Retirement Plan and Trust is governed by an IRS approved Plan Document that stipulates the processes and procedures covering our Plan. This Plan Document has been condensed into a "Summary Plan Description" booklet that is provided to each new participant upon their enrollment into the Plan. It is also provided to all enrolled participants whenever there are major revisions to the governing Plan Document.

Before a person receives (whether by retirement or withdrawal) the CME Retirement Benefits that have been credited to their account, it is important to know when distributions occur. Distributions are scheduled for **March, July and December** of each year. These dates have been chosen to allow the Plan managers the opportunity to strategically plan for the necessary liquidation of investments needed to adequately fund distributions with minimal loss of Plan earnings. **These dates have always been included on the annual, and now semiannual, earnings reports mailed to each participant (for whom we have a correct mailing address).**

To begin the procedure to receive your CME Retirement Benefits you must first initiate the process by notifying the General Board of Personnel Services of your request to receive your invested funds by reason of retirement or withdrawal, in **writing** (either by mail, email or fax). A verbal request by phone is not sufficient as there is no written record. Neither is a text message from you, or a general notice from your Presiding Bishop that you among others have retired, sufficient to begin the process. From the perspective of our governing Plan Document, only you can initiate the process.

Upon receipt of your notification, our office will send to you a letter of acknowledgement accompanied by information documents and the necessary forms that will need to be **fully** completed and returned. The distribution request form allows you to determine the manner in which you wish to receive your CME Retirement Benefits: in 1) a full lump sum payment to you, 2) rolled over into a qualifying rollover account, or 3) partially rolled over and the remainder paid directly to you. Please note that we are required by the IRS to **withhold 20%** of all direct payments to participants and forward that amount to the IRS to be credited against your tax liability for the year in which you receive your distribution.

At the time of the mailing of your acknowledgement letter, a verification form is also sent to your Presiding Bishop. The Bishop must complete and return this form to our office indicating whether you have withdrawn or formally retired to complete your package. The Bishop may also verify your plan or intent to retire at the next annual conference, but no payment can be processed unless the retirement has actually occurred. This proviso is necessary because in cases other than mandatory retirement, a participant may choose not to retire as planned or scheduled.

If we receive distribution request forms that are incomplete or include errors, the forms will be returned to the sender to be later resubmitted with the corrected or completed information, but this interim action creates a time delay on the schedule for the payout of your distribution. When our office receives the fully completed documents, they are placed in line for the next distribution period of **March, July or December**.



During a distribution month, all **fully** completed distribution request forms **received by the 15th** of the month are forwarded for processing and the preparation of an authorizing check request. When the completed package, along with the authorizing check request has been returned, the final steps are begun by preparing cover letters and completing the check writing, signing, copying, and mailing (by certified mail) of the distribution payments. Our office allows 15 calendar days to complete this process particularly in light of the work required and in consideration of weekends, travel schedules, holidays,

vacations and other required activities that may occur during a distribution month. **This is to say that distribution payments are scheduled to be mailed no later than the end of a distribution month.**

If a fully completed distribution request form is **NOT received by the 15th** of the distribution month, that request form is scheduled for the next distribution period of the **March, July or December** cycle.

As I indicated in my article last month, there is some necessary prerequisite planning required when preparing for your retirement in the future, there is also some necessary planning required to insure the timing of the receipt of your retirement distribution payment.

Some tips to consider in this process include the following:

- 1) Because of the need for a Bishop's Verification Form confirming your status, it is wise to inform your Presiding Bishop of your plans to either retire or withdraw,
- 2) When preparing to send your notification letter or email, keep it brief. You only need to state your request to receive the funds from your account and the basis or reason for your notice, i.e. retirement or withdrawal,
- 3) If you have sent a notification to your Bishop of your intent to retire or withdraw, sending our office a copy of that document is sufficient notification to begin the process. In such a case you do not need to send a separate letter,
- 4) Make sure that your notice includes your current address, preferred telephone number, and (if applicable) email address,
- 5) Plan to have all of your necessary paperwork received in our office as early as possible but not later than the 15th of the month **PRIOR** to the distribution month,
- 6) If you have made a timely submission of your necessary paperwork, then you should confirm with our office by the 1st of the distribution month that everything has been received and is in order for the planned payment period.

But there is one final request. During the distribution month, **PLEASE MADAM AND PLEASE SIR**, refrain from repeatedly calling our offices to inquire about the status of a distribution payment. Not only, do these calls not help us to work any faster; these calls instead delay our work unnecessarily which impacts both the timing of your payment and the payments of others. We are committed to completing this work and mailing the distribution payments at the earliest date possible. In the meantime, the standard response to the call with the question asking "When should I expect a check to be mailed?" is **"By the end of the month."** Until the authorizing check requests have been received, cover letters prepared and the checks written, signed, and copied, no other mailing date can be given or confirmed. It is the position of our office that we work for you, the CME Church, and therefore consider it to be inappropriate to purposely delay the processing of your needed distribution payments. We ask you to trust us (or at least indulge us) to follow our well established procedures to expeditiously process each and every distribution.

So as you begin this New Year, and if this is the year in which you are planning to retire, please be mindful of what has been stated in this article. We believe this is important for you to know ... Or at least that's the way it looks to me ...

"From Where I Sit"

Tyrone T. Davis, D.Min, is the General Secretary of the Board of Personnel Services

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