



## INSTRUCTIONS FOR USING THE LAY EMPLOYEE PENSION CONTRIBUTION CALCULATOR FOR SCHOOLS

### Step 1

Enter the plan level information:

#### Required plan level information

- Employer name
- Employer base contribution rate as a whole number
  - Fractions of a percent (e.g., 5.5%) are not valid
  - Under the provisions of Resolution A138, beginning January 1, 2013, the base contribution rate must be equal to or greater than 5% of the employee's compensation
  - If your organization is currently making a base contribution that is less than 5%, you can enter the difference between 5% and the current base contribution
    - For example, if your organization is currently making a base contribution of 3%, enter 2%
    - The calculator will project the incremental cost of providing a Resolution A138 compliant lay pension benefit
- Employer matching contribution rate as a whole number
  - This is the amount up to which the employer will match dollar for dollar an employee's contribution
  - Fractions of a percent (e.g., 4.5%) are not valid
  - Under the provisions of Resolution A138, beginning January 1, 2013, the sum of the base contribution rate and the matching contribution rate must be equal to or greater than 9% of the employee's compensation
  - If your organization is currently making a matching contribution that is less than the required percentage, you can enter the difference between the required percentage and the current matching contribution
    - For example, if your organization is currently making a base contribution of 5% and a matching contribution of 1%, enter 3%
    - The calculator will project the incremental cost of providing a Resolution A138 compliant lay pension benefit

#### Optional plan level information

- Annual tuition
- Average enrollment
  - Average tuition per student is automatically computed if annual tuition and average enrollment are entered
- Entering this information allows you to project the initial impact of providing a lay pension benefit on both annual and average tuition

## Step 2

### **Enter information about your employees:**

#### Required employee information

- Eligible lay employee's names
- Eligible lay employee's compensation<sup>1</sup>
  - Enter the employee's compensation either in whole dollars or in dollars and cents; the calculator will accept either
  - The calculator allows you to enter information for up to 20 employees
  - You can make additional copies of the calculator if you have more than 20 employees
  - You can enter one line labeled "total compensation" if you wish and then enter the total compensation for your organization either in whole dollars or in dollars and cents
  - You can enter multiple compensation lines labeled "faculty compensation," "administrative staff," etc., if you wish, and then enter the total compensation for these employee groups either in whole dollars or in dollars and cents

#### Optional employee information

- The expected annual compensation increase for your employees
  - Entering this information allows you to project the total cost of providing lay pension benefits for up to three additional years
    - You can enter the expected average compensation increase either as a decimal or as a whole number
    - You can enter a negative number if you believe compensation costs will decrease in one or more of the years
    - Entering 0% will result in a flat cost projection
    - The calculator does not project the incremental percentage impact of providing a lay pension benefit on total and average tuition for years 2 through 4 since these amounts are generally less than 1% and therefore, not meaningful.

## Step 3

### **Print your report:**

- Select Print from the File menu

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<sup>1</sup> Compensation typically includes all items of compensation reported in the box "Medicare Wages and Tips" on the Form W 2, plus any pretax contributions to a cafeteria plan and an amount equivalent to the value of maintenance furnished to the employee (including utility and room and board expenses and the rental value of housing). All overtime, bonuses, commissions and severance pay will generally be included in assessable compensation.

Please note that the Lay Pension Calculator is a tool that is provided for informational purposes only and should not be viewed as investment, tax or other advice. In the event of a conflict between the information contained in the Lay Pension Calculator or instructions and the official plan documents, the official plan documents will govern. The Church Pension Fund and its affiliates retain the right to amend, terminate or modify the terms of the benefit plans at any time, without notice and for any reason.