

planning for retirement

The Christian Brothers Employee Retirement Plan



Employers in Catholic organizations and dioceses are faced with a difficult balancing act of wanting to provide a safe and secure retirement benefit for employees without unduly taxing their budgets. Finding a solution is even more difficult because employers have multiple, sometimes confusing retirement funding options from which to choose.

Most employers turn to defined contribution plans such as 401(k) and 403(b) plans to help their workers fund their retirements. While these types of plans are an important element in a worker's retirement portfolio, these plans alone may not provide the income security to last through the years that many retirees will need. These plans also put much of the burden of funding and investment selection directly on employees who may not be equipped to handle these risks.

For many organizations, the Christian Brothers Employee Retirement Plan (CBERP) is the solution they are seeking.

The CBERP

- *Is a defined benefit plan that covers the lay employees who work for Catholic organizations or dioceses*
- *Provides a traditional form of retirement benefit, also known as a pension plan*
- *Is funded entirely by the participating employers*
- *Benefit is based on a formula which is applied to an employee's career covered compensation and is normally paid as a monthly benefit for the life of the retiree*

Benefits of the CBERP for employers include:

- *As a "Church plan," the CBERP is not required to comply with Employee Retirement Income Securities Act (ERISA), regulations that affect pension plans in private industry*
- *Employers are offered 6 contribution levels, allowing them to select the one that best suits their retirement budget*
- *Employees receive a solid foundation for retirement that is not market dependent, allowing them to plan for retirement income with greater accuracy and security*