



Consists of religious organizations that provide religious worship or promote religious activities for both organized religions and smaller faiths that are not recognized in mainstream religious teaching. Entities include churches, temples, mosques, synagogues and other houses of worship, in addition to convents, monasteries and religiously affiliated community centers.

INTERNAL USE ONLY

CAPTRUST EXPERIENCE

CAPTRUST AT A GLANCE

Clients – 115

Total Assets – \$11 billion

Plans/Pools – 162

Plan/Pool Types – E/F (105), DC (21), DB (20), OAP (16)

Top Providers – Northern Trust, PNC, Schwab, Comerica

EXPERIENCED ADVISORS

- Stephen Schott (30)
- Terence Crowgey (5)
- Jeb Graham (4)
- Eric Bailey (3)
- Robert Peel (3)

INDUSTRY BACKGROUND

POINTS OF INTEREST

- Participation has fallen as younger generations shift away from religion.
- Increases in donations are correlated with an aging population. Rising per capita disposable income and the number of adults aged 65 and older expected to support continued growth.
- Revenue estimated to rise an annualized 1.6% to \$158.5 billion by 2027.

COMMON TERMS

- 403(b)(9) retirement income accounts
- Congregation
- Faith-based organization (FBO)
- Jewish values-based Investing (JLens)
- Mosque
- Parsonage (housing) allowance
- Pledge
- Socially responsible investing (SRI)
- Synagogue
- Tithing
- United States Conference of Catholic Bishops (USCCB)

EXTERNAL RESOURCES

- The Association of Religion Data Archives thearda.com
- Barna Group Inc barna.com

FOR THE CHALLENGER

CHALLENGES

Administration

- Declining church attendance
- Aging congregations
- Socially responsible investing screening
- Need to implement a screen for Jewish values in an investment portfolio – many different views on how this should be accomplished
- Centralized plans and management for localized moneys
- Fiduciaries following ERISA best practices even though plans not subject to ERISA
- Need to implement a plan governance structure to increase engagement and reduce expenses

Retirement

- Low use of auto enrollment; individual churches are often not even required to participate in the denominational plan
- Transitioning from DB to DC; many are working through issues on how to freeze plans
- Integrating technology for all locations whether large or small, urban or rural
- Many of the providers in the church space are old school annuity providers and it can be difficult for plan sponsors to get information from them

CLIENT OUTCOMES

- Reduction of plan expenses
- Increased member church participation
- Provided an SRI screened list based on the USCCB guidelines
- Helped to guide client through ESG discussion and screening services for Jewish values
- Set up pension plan with reduction of fees for all accounts based on footprint