

The largest part of the insured funds of nonprofit organizations (\$1 billion in 1964) was carried with Teachers Insurance & Annuity Association. TIAA is a legal reserve life insurance company, but it does not employ agents, and its services are restricted to nonprofit, tax-exempt educational and scientific institutions. Other insurance companies are called agency companies here. They include a few companies, generally affiliated with religious bodies, similar to TIAA but unimportant in the aggregate; also the National Health & Welfare Retirement Association, which maintains a retirement system for employees of nonprofit organizations engaged in charitable, health, and welfare work. The latter's reserves of \$0.2 billion in 1964 were reinsured 100 percent with an agency company.

College Retirement Equities Fund provides variable annuities for participants in TIAA's fixed-dollar pension plans. While CREF is not an insurance company and its funds are not included in the ILI tabulations, they are included here with those of TIAA because of their affiliation. In 1964 CREF accounted for \$0.3 billion.<sup>3</sup>

The TIAA-CREF percentages are an overstatement since they include reserves for some publicly supported universities and for educational institutions in Canada and other foreign countries. The agency-insured and the noninsured percentages of nonprofit organizations, on the other hand, are understated because of incomplete coverage. The total figures for nonprofit organizations, however, may be fairly accurate.<sup>4</sup>

A further breakdown of funds by purpose of nonprofit organization is possible for 1960 and is shown in table II-2. The largest amounts are for educational institutions with TIAA-CREF plans and for religious bodies with noninsured plans. Total funds for hospital pension plans have increased substantially since 1960, but they are still probably smaller than for any of the other groups.

TABLE II-2.—PERCENTAGE DISTRIBUTION OF PENSION FUNDS OF NONPROFIT ORGANIZATIONS BY PURPOSE OF ORGANIZATION AND TYPE OF PLAN, END OF 1960

|                       | Religious<br>bodies | Educational<br>institutions | Hospitals | Other<br>nonprofit<br>organizations | Total |
|-----------------------|---------------------|-----------------------------|-----------|-------------------------------------|-------|
| Insured with—         |                     |                             |           |                                     |       |
| TIAA-CREF.....        | 0                   | 33.8                        | 0.1       | 0.1                                 | 34.0  |
| Agency companies..... | 1.0                 | 7.6                         | 3.9       | 9.9                                 | 22.5  |
| Noninsured.....       | 33.5                | 2.2                         | .1        | 7.8                                 | 43.5  |
| Total.....            | 34.5                | 43.6                        | 4.1       | 17.8                                | 100.0 |

Note: Totals do not always add because of rounding.

Source: See app. II.

Growth rates of the dollar amounts depend on rates of increase in pension coverage, contributions, benefit payments, and fund earnings. Table II-3 shows that in 1960 about a third of all units of nonprofit organizations had pension plans and a fifth of the employees were

<sup>3</sup> In terms of market value, total pension funds of nonprofit organizations aggregated \$3.7 billion. This figure is composed of \$1.6 billion noninsured (compared to book value of \$1.4 billion), \$0.7 billion agency-insured, \$1 billion TIAA, and \$0.4 billion CREF. Admitted assets were used for the insured funds, but if market values were available, in all probability the total would not be affected.

<sup>4</sup> For sources of data and estimating techniques, see app. II.