

ployees of local churches, but well over 50 percent for denominational board and National Council employees. Also included in the funds of religious bodies are small amounts for teachers and other employees of church-affiliated educational institutions which could not be subtracted. In general, however, church-affiliated educational organizations have joined the same plans as private schools and colleges.

Pension coverage is also very low at present for Catholic lay employees, but it received a stimulus in July 1962 with the inauguration of a plan that will eventually cover all lay employees of the Archdiocese of New York (including some in education, hospitals, and other nonprofit organizations).

EDUCATIONAL INSTITUTIONS

Colleges and Universities

In 1960 there were approximately 1,500 nonprofit, nonproprietary colleges and universities with 240,000 teachers, administrative personnel, and other employees. Ninety-five percent of the teachers were eligible for pension plans, or would be if they fulfilled certain requirements. Similar percentages for other types of employees were lower, but were probably over 80 percent for all employees including teachers. In contrast to this potential percentage of coverage was the actual rate of less than 50 percent. This was mainly the result of waiting periods and voluntary participation in numerous plans, and also of high turnover among nonacademic employees, some of whom were past the age of plan entry. The average waiting period was from 1 to 3 years, or until attainment of assistant professorship or equal rank, or age 30. Participation was voluntary in plans affecting approximately 28 percent of faculty members and 44 percent of clerical and secretarial employees. About three-quarters of the coverage was with TIAA-CREF. Recent TIAA-CREF annual reports have mentioned that waiting periods are being reduced and eligibility extended to new categories of employees. Also, as an added fringe benefit, contributory plans are being changed to noncontributory, and the change naturally tends to increase the coverage rate.

From 1960 to 1965 there was a large increase in private colleges participating in the TIAA-CREF retirement system. A few were new colleges or previously had had no pension plans, but most were just giving their employees a choice between TIAA-CREF and their other plan, or allowing them to add a variable annuity. Although about 20 percent of the private institutions of higher education (including junior colleges) had no pension plans, they employed only about 4 percent of all college faculty members, excluding members of religious orders. Therefore, the establishment of plans in colleges which do not have them at present will not have a large effect on coverage rates and fund assets.

Increasing contribution rates should increase fund assets, and this has been happening recently. Sixty percent of college teachers in 1959 and 75 percent in 1965 were members of plans with total contribution rates of over 10 percent (and up to 20 percent) of annual salary.