



CHRISTIAN SCHOOLS
INTERNATIONAL

**CANADIAN CHRISTIAN SCHOOL PENSION PLAN
2008 PENSION ADJUSTMENT**

**FOR 3% SCHOOLS
(Contribution Rate is 4.5%)**

**CANADIAN CHRISTIAN SCHOOL PENSION PLAN
2008 PENSION ADJUSTMENT FORMULA
FOR SCHOOLS IN THE 3% PLAN**

Definition - Covered Earnings - Amounts paid to a participant in calendar year 2008 from which pension contributions were deducted in 2008. It should not include reimbursements, fringe benefit payments or amounts taxable to the employee which are not direct salary or wages. It should include deemed earnings for the period of a qualified maternity or parental leave for which the participant made contributions.

- Step 1. Determine 2008 Participant Covered Earnings
- Step 2. Compute Pension Earned
- Step 3. Where the participant joins the Plan during 2008, terminates from the Plan during 2008 or works on a less than full-time basis in 2008, the \$600 offset MAY NEED to be prorated. See Exhibits II, IV and V for examples.
- Step 4. Compute Total Pension Adjustment
Total pension from Step 2. x 9 - \$600 (or prorated amount)
In no event shall the Pension Adjustment be higher than \$20,400 for 2008
- Step 5. Round Pension Adjustment
Round to nearest dollar (not to be less than zero)
- Step 6. T4 Reporting
Report Pension Adjustment from Step 5 on T4 form

**CANADIAN CHRISTIAN SCHOOL PENSION PLAN
2008 PENSION ADJUSTMENT EXAMPLE 1
FOR SCHOOLS IN THE 3% PLAN**

Assume that 2008 Covered Earnings are \$12,500 based on employment from September 1 - December 31, 2008.

Step 1.	Covered Earnings	= \$12,500
Step 2.	Pension Earned	= \$12,500 x .0184 x 0.75 = \$172.50

Participants who transfer in 2008 to/from a school that participates in the Canadian Christian School Pension Plan will have the \$600 offset prorated.

Step 3a.	Prorating of \$600 offset	= 4 months ÷ 12 months x \$600 = \$200
Step 4a.	Total Pension Adjustment	= \$172.50 x 9 - \$200 = \$1,352.50
Step 5a.	Round	= \$1,353

If the participant did not participate in the Canadian Christian School Pension Plan at another school in 2008, the \$600 offset will not be prorated.

Step 3b.	Offset	= \$600
Step 4b.	Total Pension Adjustment	= \$172.50 x 9 - \$600 = \$952.50
Step 5b.	Round	= \$953

**CANADIAN CHRISTIAN SCHOOL PENSION PLAN
2008 PENSION ADJUSTMENT EXAMPLE 2
FOR SCHOOLS IN THE 3% PLAN**

Assume that 2008 Covered Earnings are \$82,000 based on employment from January 1 - December 31, 2008.

Step 1.	Covered Earnings	=	\$82,000
Step 2.	Pension Earned	=	$\$82,000 \times .0184 \times 0.75$
		=	\$1,131.60
Step 3.	Total Pension Adjustment	=	$\$1,131.60 \times 9 - \600
		=	\$9,584.40
Step 4.	Round	=	\$9,584

**CANADIAN CHRISTIAN SCHOOL PENSION PLAN
2008 PENSION ADJUSTMENT EXAMPLE 3
FOR SCHOOLS IN THE 3% PLAN**

Assume that 2008 Covered Earnings are \$55,000 based on employment from January 1 – August 31, 2008 and the participant terminated August 31, 2008.

Step 1.	Covered Earnings	=	\$55,000
Step 2.	Pension Earned	=	\$55,000 x .0184 x 0.75
		=	\$759.00

Participants who transfer in 2008 to/from a school that participates in the Canadian Christian School Pension Plan will have the \$600 offset prorated.

Step 3a.	Prorating of \$600 offset	=	8 months ÷ 12 months x \$600
		=	\$400
Step 4a.	Total Pension Adjustment	=	\$759.00 x 9 - \$400
		=	\$6,431
Step 5a.	Round	=	\$6,431

If the participant did not participate in the Canadian Christian School Pension Plan at another school in 2008, the \$600 offset will not be prorated.

Step 3b.	Offset	=	\$600
Step 4b.	Total Pension Adjustment	=	\$759.00 x 9 - \$600
		=	\$6,231
Step 5b.	Round	=	\$6,231

**CANADIAN CHRISTIAN SCHOOL PENSION PLAN
2008 PENSION ADJUSTMENT EXAMPLE 4
FOR SCHOOLS IN THE 3% PLAN**

Assume that 2008 Covered Earnings are \$24,000 based on employment from January 1 – December 31, 2008 and the participant worked the equivalent of 60% of full-time.

Step 1.	Covered Earnings	=	\$24,000
Step 2.	Pension Earned	=	\$24,000 x .0184 x 0.75
		=	\$331.20

Participants who in 2008 also worked at another a school that participates in the Canadian Christian School Pension Plan will have the \$600 offset prorated.

Step 3a.	Prorating of \$600 offset	=	60% x \$600
		=	\$360
Step 4a.	Total Pension Adjustment	=	\$331.20 x 9 - \$360
		=	\$2,620.80
Step 5a.	Round	=	\$2,621

If the participant did not participate in the Canadian Christian School Pension Plan at another school in 2008, the \$600 offset will not be prorated.

Step 3b.	Offset	=	\$600
Step 4b.	Total Pension Adjustment	=	\$331.20 x 9 - \$600
		=	\$2,380.80
Step 5b.	Round	=	\$2,381